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ON THE ROAD

A close-up portrait of Mikhail Gorbachev, looking directly at the camera with a serious expression. He is wearing a dark suit, white shirt, and dark tie.

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Flames Of
Freedom Are
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CANADA'S WEEKLY NEWSMAGAZINE DECEMBER 12, 1988 VOL. 181 NO. 26

CONTENTS

2 EDITORIAL

5 LETTERS/PASSAGES

6 OPENING NOTES

After Gorbachev's correspondence course, an awaited letter for Bush—and his backers Ontario's search for a babysitter for MPPs: Bruce Phillips is as the more, Duffy throws a well-deserved party, leaping into the U.S. job market, Barbara Frum's hair-raising odyssey: a treasure trove of Soviet art

9 COLUMN/BARBARA AMIEL

10 CANADA

A new constitutional showdown takes shape: free trade's opponents vow to fight on; murder suspect Charles Ng will contest an extradition order; the ballooning costs of seniors' drugs.

20 WORLD

Washington's denial of a visa for Yasser Arafat draws worldwide condemnation; Brent's Brette takes over; an acid rain opponent becomes U.S. Senate majority leader.

38 BUSINESS

World trade ministers prepare for a critical meeting; the auto industry stage a revolt.

48 BUSINESS WATCH/PETER C. NEWMAN

49 PEOPLE

50 HERITAGE

Welsh nationalists step up their fiery campaign against the English.

52 EDUCATION

Japanese language students are transforming Nelson, B.C.

54 SPORTS

Ten athletes try to rebel against interest in Canadian pro football.

58 HEALTH

Moscow seeks to control the spread of AIDS.

60 BOOKS

63 FILMS

A tale about a father-son rift showcases Cape Breton's beauty.

64 FOTHERINGHAM

COVER PHOTO BY KEN GIBBS/STAN THOMAS

COVER

GORBACHEV GOES ON THE ROAD

In an unprecedented display of democracy, the Soviet leadership last week voted to elect Secretary General Mikhail Gorbachev's electoral reforms allowing the people a greater say in who governs them. But with violence spreading in the republics of Armenia and Azerbaijan and with the Baltic republics demanding greater autonomy, the fledgling reforms met their first grave test. — 26



CANADA

THE MEECH DISCORD

Fresh protests have enveloped the Meech Lake constitutional accord. Many critics, including former prime minister Pierre Trudeau, have long claimed that it will weaken the federal power. Now, the fear is that Ottawa will not be able to shelter poorer provinces from any ill effects of free trade. — 12



BOOKS

TEASING THE SENSES

This year's selection of exquisite gift books will transport readers to worlds of wonder long after the holiday season is over. Delighting the eye and the mind, they include everything from close-up portraits of remote communities to mid-angle views of the Earth from outer space. — 48



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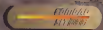
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LETTERS

WAVING THE MAPLE LEAF

I agree 100 per cent with the article "An uneasy patriotism" (Cover/Issue, Nov. 7), regarding American flag-wavers. However, this time I think they have caught on. Canadians with pan-ethnic bias. We don't have much room to be critical with John Turner and the Liberals. To me, he has not been waving small Canadian flags, he has been waving two huge maple leaves—one in each hand. Praise, nation-ally—all the seeds of war. Finally, some day, Canada will be able to look past our board area and see the outside world. We could be a very important part of a growing world community.

Billy Anderson,
Chino, Sask.

"An uneasy patriotism" completely repulsed me. How dare you accuse Americans of waving flags to cover an "insecurity" that we supposedly have, an insecurity that we sense our overpopulated place in the world threatened by growing and uncertain forces. This is completely nonsense—the United States has always been the strongest country in the world and will always be. We wave our flags because we love our country, just as Canadians love theirs.

John Windchinski,
Englewood Beach, Fla.

STUNNING IMPLICATIONS

I was figuratively stunned by your column in "A question of rape" (Opening Notes, Nov. 21). "[Significance] Moore persuaded her producers to cut the scene of the raping of Dan Fossy"—and, in the process, preserve Fossy's reputation." Are you seriously implying that a woman who is raped loses her reputation?

Murray Kishack,
Fredericktown

STICKING TO THE TEXT

Your article on Robin Williams ("A playful misapprehension," Nov. 21) implies that he invented the insult "crazy" in *Weekend Update*. He did not; that joke is in the text.

Jeffrey Robinson,
Berkeley, Cal.

A 'MEDIOCRE' MIND

You describe Anne Gillson's book on Dr. Ewen Cameron as "misleading and laud," and quote her as saying, "The trouble was that while Cameron's shocking experiments were conceivable in the abstract, it was disastrous as he



U.S. patriotism no insecurity

put it in practice" ("Dr. Strangelove," Books, Nov. 14). It would be inaccurate to call Dr. Cameron's abstract scientific thinking impractical, though it might be acceptable to describe it as impractical. The editor of the issue's thought, which can be judged in his published writings, still between Cameron and comic-book super-villains. Of Cameron's two desert

trials, rubricism and there: the second seems to have resulted out from the grave and touched Collins.

Larry Beckman,
Hawesbury

PLEADING IGNORANCE

In "The past over time trade" (Column, Nov. 21), Diane Frances is extremely forthright in her opinion on the deal and how the public has misinterpreted it. I agree that it is the public who would misinterpret this agreement until two weeks before an election, that was to decide the deal's future. The media have been serving themselves of the press and even of the agreement to thousands of articles and reports since negotiations began. Why is it then that the public decided to wait this long to dissent, declaring that they don't know enough about it? My advice to those who criticize this contract on the grounds that they just love and bring enough informed to get off your behind and find out for yourselves.

Brenda Brown,
Victoria, B.C.

Letters are edited and may be condensed. Writers should supply names of cities and telephone numbers. Mail addresses should be given. Letters to the Editor should be signed. Address: 177 Bay St., Toronto, Ont. M5H 1A7.

PASSAGES

DRD: Character actor John Cassavetes, 52, who appeared in more than 500 movies, of heart and lung failure after climbing 382 steps to the top of the Duomo cathedral in Milan. Four of his sons—David, Robert, Keith and Brian—were actors. The New York City-born father, who made his film debut in 1950 and appeared in such classics as the 1955 *Stimulus* with John Wayne and the 1948 *Grapes of Wrath* with Henry Fonda, was best known for his work in dozens of horror films. His trademark baritone voice and giant contralto looks led to his being cast three times as Dracula and much more frequently as a depressed scientist, mad doctor or a psychotic criminal.



DRD: Dr. David Nelson, 36, the older brother of nurse Susan Nelson, who was wrongly charged with four baby murders in 1983, of a brain hemorrhage in his Belleville, Ont., home. Nelson, who was chief of pediatrics at the Belleville General Hospital, stood by his sister throughout the 64-day preliminary court hearing into the mysterious deaths of 36 infants at Toronto's Hospital for Sick Children, where he trained as a doctor. Nelson's pediatrician father, Dr. James Nelson, died of a heart attack two months after the charges against his daughter were dropped for insufficient evidence.

leader for the British air ministry during the Second World War.

AWARDED: To Robertson Davies, 75, the \$30,000 Canadian General Motors Prize for literary achievements including the current best-seller, *The Eyes of Ophelia*, and to Nigerian Festus Iyayi, the \$22,000 Commonwealth Writers Prize for Harrow, his novel about the 1967-1970 Nigerian civil war.

DRD: Prince Ludwig Rudolf of Bavaria, 32, the great-grandson of Germany's last emperor, Wilhelm II, by suicide near his country villa in Garmisch, Austria. The prince shot himself with his hunting rifle after finding the body of his wife, Isabella, 34, who died of an apparent drug overdose.

DRD: Sir Victor Habbakuk Tuck, 96, who was knighted by King George VI in 1944, in his London home. The *Wings* aviator was honored for his work as director of

OPENING NOTES

Barbara Frum heads for the kitchen, Mike Duffy confuses his guests and Allan Gottlieb reveals his trade secrets

INSIDE DIPLOMACY

In his first month as Canadian ambassador to the United States, Allan Gottlieb is sharing his secrets. Gottlieb, 50, the new chairman of the Canada Council, who will spend next year teaching at Harvard, as well, has listed the keys to success in the monthly magazine *The Washingtonian*. Among his tips: host interesting dinner parties. Eat to gossip and buttress powerful guests for a meeting the following day. Deflated Gottlieb: "Gossip is power because you may learn something useful. People pay a fortune for intelligence, and you can pick up some solid intelligence on the cocktail circuit." The U.S. state department has now cited the article as required reading in a course for aspiring diplomats. Solid secretary of state-level James Baker: "Allen is the most outstanding ambassador this city has seen in a long, long while. He's on his toes, he's well informed, and he knows how to work the system." How others see him here to work agency—the Canadian way.

Gottlieb listens to gossip and buttresses the powerful



Making a fortune on elephants

In 1971, three Toronto film-makers founded an animation company—backed only by their credit cards. Nelvana quickly gained prominence by producing quality TV specials for children. But in 1983, Nelvana's founders, Michael Bluth, Clive Smith and Patrick Labrecq, played dimly as side when *Mya of Power* an animated series aimed at teenagers, failed in the box office. Returning to the children's market, the three partners produced the 1984 hit, *The Care Bears Movie*. Since then, Nelvana has made more than \$40 million from Care Bears movies and cartoons. Now, the firm has acquired worldwide merchandising, film and TV rights to another children's favorite: *Babar the Elephant*. Industry sources predict

that Nelvana could eventually earn as much as \$40 million from the *Babar* franchise. *Chill's* play.



Bluth's world rights to *Babar*

LEGISLATIVE BABYSITTER

Wanted: one babysitter for the Ontario MPPs. The current issue of *Topical*, an informal provincial civil service publication, lists a job opening for a legislative attendant. For \$28,500 a year, the attendant would be responsible for keeping MPPs on schedule for committee meetings and sessions. According to the notice, the successful candidate will have "an interest in protocol requirements, courtesy and excellent verbal skills." *Serious applicants should take note of the final line in the ad: "Experience in working with children is an asset."*

Mulroney's man on the move

With the federal election decided, speculation in political circles has focused on Ottawa's second favorite topic of discussion: the shuffling up of patronage plans for the victorious Conservatives. Bruce Phillips, communications director for Prime Minister Brian Mulroney, is high on the list of those expected to get choice appointments. Phillips has expressed desire to become Canada's consul in Boston, but is less eager to fill a similar post in Atlanta. Now the betting line is that he could take up residence in Dublin as the Canadian ambassador to the Irish Republic. Get packing.



Melley: Duffy embraced criticism, a size-up and a no-halt celebration



REVISING THE PARTY LINE

As showman Peter Macdonald and his co-worker, CBC TV reporter Wendy Mesley are planning to marry in January—and the celebrations are already under way. Fellow broadcaster Mike Duffy, who is hosting a party for the couple on Dec. 8, described the guest list as "a who's who of the political and media elite." Duffy arranged to hold the affair in the Speaker's Salon, a chamber with silver-encrusted walls and leaded windows. On Parliament Hill, however, all rooms are democratically labelled, despite an odd silence, the

also officially goes by the designation of "16-N." Unfortunately, the numbers got mixed up and redoubled invitations were sent, stirring gossip. In 1984-85—a strange year in the South Wing of Parliament. After discovering the error, Duffy began informing guests about the proper location last week—only to learn that he himself would not be able to attend the party. He will be in Cyprus, taping a city special on Canada's greenhouse threat. How about lunch in 1989?

HAVE MONEY, WILL TRAVEL

Canadians may soon be allowed to work in the United States—so long as they bring \$180,000 into the country. According to Toronto lawyer Mendel Green, a bill introduced in the Free Trade Agreement will allow Canadians to get visas much more swiftly and work south of the border, provided they have at least \$180,000 to invest in U.S. business. Americans, on the other hand, are not entitled to the same deal in Canada. This week, Green's firm, Green and Spiegel, will start running newspaper ads in three major U.S. cities to spread the news to prospective Canadians. "Canadians get the best deal possible in this area," said Green. "There are virtually thousands of businesses in southern Florida that are now owned—illegally—by Canadians." Money talks.

Star in the kitchen

Barbara Frum's composed appearance on CBC TV's *The Journal* can be attributed in part to Dennis Campese.



From page 1 visit to the Toronto hairdresser before every broadcast. And when Campese left a trendy Toronto hair salon last month to open his own business, Frum recommended him. Until Campese's new salon opens she has agreed to make a daily trek to his out-of-town home where he washes her hair over his kitchen sink. Declared Frum: "It's been a treat."

Buried treasure

For the last art expert Duncan McLaren, it was a rare find. Last fall, he received a tip that a retired Quebec artist, now 94, had amassed a collection of lost sculptures from 1945 to 1955. Declared McLaren: "Some of the best carvings were done during that period—before the crisis were influenced by western notions of what would sell." McLaren was galvanized into action when he learned that the collector had moved to Florida and left the sculpture carvings in the basement of an unoccupied cottage. He flew to Montreal the next day, rented a van and drove 265 km north to St. Jean. There he found 50 carvings—none of which he believed could be worth as much as \$8,000. The 94-year-old owner will learn the worth of his collection when the pieces are auctioned at his request in Toronto this week. You can't tell if with you.



McLaren suspects carvings left in a cottage

THE MEECH DISCORD



The phone call from a former prime minister provided aid and comfort to one of Brian Mulroney's most bitter—and determined—political opponents. On Nov. 25, just four days after Mulroney's Progressive Conservatives won their second majority government, Pierre Trudeau spoke with Manitoba Liberal opposition leader Sharon Carstairs and urged her to keep up her fight to prevent ratification of the Meech Lake constitutional accord. Trudeau is a leading critic of the agreement, largely because of its provision entrenching special constitutional status for Quebec—a regulation of his lifelong goal of creating a bilingual Canada with a strong central government. Said Carstairs: "He told me he was glad that there were more voices out there willing to speak out to defend Canada. And he encouraged me to continue the fight." Carstairs, whose party is committed to blocking passage of the accord in

CRITICS CLAIM THAT OTTAWA'S POWER WILL BE ERODED AT A TIME WHEN IT IS MOST URGENTLY NEEDED

the Manitoba legislature, is one of many critics to renew their opposition to Meech Lake following the Nov. 21 general election.

In fact, a national chorus of protest has enveloped Mulroney's coveted accord. Many

critics claim that it will weaken Ottawa's power to shelter the poorer provinces from any ill effects of the Canada-U.S. Free Trade Agreement. In Manitoba, where Premier Gary Filmon presides over a minority Conservative government, the combined Liberal-NIP opposition could force an election if a vote is held in the Convention. And last week, provincial NIP Leader Gary Doer, who holds the balance of power, said that his party would sided vote with Carstairs' Liberals. At the same time, New Brunswick Liberal Premier Frank McKenna is also renewing opposition of the accord. But without the support of all of the provinces, the agreement cannot become law, as scheduled, by mid-1990.

Both NIP Leader Edward Broadbent and Liberal Leader John Turner supported the agreement, largely as a gesture to Quebec voters, despite sometimes fierce internal dissent. But with neither man expected to lead his



Meech Lake compound (left); Trudeau (above): new opposition to the deal

party into the next election, and with 63 of Quebec's 75 seats going to the Tories, war from both parties—looking no debt to the issue. Mulroney, whose Liberal party holds all 58 seats in the legislature, says that he will continue his opposition to Meech Lake unless he had a dozen major changes are made to the act. That opposition was echoed by a host of politicians, including Saskatchewan NDP Leader Roy Romanow, one of the architects of Trudeau's original 1982 Constitutional Act, and several widely vocal members of the federal Liberal party caucus.



Carstairs encourages fight on

country on a north-south line, and when coupled with Meech Lake, which also strips power from Ottawa, I believe this country is on the line." Mulroney, whose Liberal party holds all 58 seats in the legislature, says that he will continue his opposition to Meech Lake unless he had a dozen major changes are made to the act. That opposition was echoed by a host of politicians, including Saskatchewan NDP Leader Roy Romanow, one of the architects of Trudeau's original 1982 Constitutional Act, and several widely vocal members of the federal Liberal party caucus.

Members of Quebec's majority-rights lobby group, Alliance Quebec, say that they have been encouraged by the attacks on Romanow and the Meech Lake accord from outside the province. As a result, they add that they want the deal to be amended or scrapped—largely because of what they describe as the accord's inadequate provisions to protect minority language rights. That led to another round of angry exchanges between representatives of Quebec's two linguistic communities as the eve of a sensitive Supreme Court of Canada ruling—scheduled for Dec. 15—on the legality of the French-only signs provisions of Quebec's language law, famously known as Bill 101. Romanow and some other critics of Meech Lake said that they would evaluate the accord's minority language protections on the basis of how Romanow responds to the court judgment and how he deals with the consequences.

For his part, Mulroney was clearly concerned that his constitutional handout might founder. The deal between the Prime Minister and the 20 provincial premiers was reached at the federal government's Meech Lake, Que., retreat in April, 1987, after months of great interprovincial diplomacy. Its aim was to bring Quebec—the only province that had not signed the 1982 act—into the Canadian constitutional fold. In return, the

National Notes

GRASS CONSENSUS

The eight-member Canadian Aviation Safety Board is expected to announce this week that ice-cousted wings caused the crash of a DC-8 in Gander, Nfld., in 1985, which killed 258 Americans, mostly servicemen. Three members of the board disagreed, claiming that the board did not properly investigate the plane's maintenance operations.

ECONOMIC EXPANSION

The gross domestic product, which measures the nation's economic growth, expanded at a rate of 2.3 per cent—after accounting for inflation—in the third quarter of the year, down from four per cent in the second quarter, but equal to the rate in the first quarter.

PLEADING GUILTY

Seventeen-year-old Richard Singh Baggin pleaded guilty and will be sentenced on Dec. 12 in Surrey, B.C., for attempting to murder two journalism teachers and a fellow student at St. John's High School. St. John's was a school in a small town in the west.

IN PRAISE OF PRISON

Convicted murderer Edgar Rasmussen said that the new 166-million penitentiary at Port Cartier, Que., is a "Coke Motel" compared with Laval, the 116-year-old prison near Montreal. Said Rasmussen, one of 60 prisoners given early transfer from Laval to Port Cartier: "The bees in prison for 16 years and I've never seen anything like it."

A CLEAN DEAL

The RCMP has found no evidence of wrongdoing in the sale of an old rubber hose as Prime Minister Brian Mulroney's former riding. A former Public Works employee had allegedly sold a contract order to minister Stewart Wilson had awarded in the sale.

QUITTING LONDON

Perrin MacAdam, a former aide to Prime Minister Brian Mulroney, resigned his post as press and media coordinator at the London High Commission to return to private business in Canada. MacAdam's appointment 16 months ago drew criticism from career diplomats.

CHILDREN AND LEAD

Recent tests of school drinking water revealed by provincial and municipal government and school officials in an Ontario area found lead levels as high as seven times the national guideline of 50 parts per billion.

other first ministers were willing to grant special status to Quebec as a "distinct society" with the power to "preserve and promote" its unique character. The latter part of the accord, adapting the rights of jurisdiction to sensitive lists of potential Supreme Court partners and to opt out of future national expenditure programs with full financial scope nation, reflected a shift in power from Ottawa to the provinces. But while Meech Lake was casting endorsement from the federal opposition parties, away of its clauses were condemned by such special-interest groups as women and natives, who claimed that their rights are not protected.

Mulroney has and repeatedly that the accord cannot be altered because the process of winning unanimous provincial support would also have to begin again. That all-in-one strategy successfully altered the accord through eight of the 10 provincial legislatures. But when Mulroney took up the appeal again on the day after his decisive election victory, declaring that he had a mandate to push on with the accord, opponents quickly disarmed. Said Mulroney: "Meech Lake was simply not an issue in the campaign." Mulroney tried to defuse the debate by making discussion of the issue by members of his party. The Tory's chief constitutional strategist,

Senator Lowell Murray, declined interviews on the topic. In the Prime Minister's office, the Tories would allow the issues to subside rather than simplify the argument into a national debate. Said Tory Senator Michel Cuccia: "Nobody wants by getting into a



Mulroney: the advocate—several major alterations

shootout with Sharon Givens."

In fact, most Tory advisers said that they expected Mulroney and Mulroney to ignore the precarious Manitoba situation in the short term. One reason friends said that Mulroney is angry at Health Minister Jake Epp for his lack

of enthusiasm in selling the accord in his home province. That job had been delegated to his brother-in-law, St-Basile's Sir John Duggan, who lost his seat on Nov. 21 in a Meech Lake crisis. Liberal Ronald Duguay, New, such a recent internal party poll showing Mulroney's approval rating at a substantial 66 per cent. Mulroney may delay pressing Meech Lake until after another provincial election—and a potential majority government for Pélissier.

Instead, the Tories are expected to train their fire on McMeekin and try to win less over with private reassurances. But McMeekin, who has been among his own fundamental objections more protection for minority rights, appears to be determined to maintain his opposition. And James Aikman, the provincial Tory intergovernmental affairs critic, charged that McMeekin is holding up the accord only to win favors from Ottawa. Aikman said that the premier is particularly anxious to obtain federal funding to widen New Brunswick's existing two-lane Trans-Canada Highway to four lanes. According to the provincial government, which supports the Canada-U.S. Free Trade Agreement, the highway must be expanded to handle the anticipated increase in commercial traffic when the FTA is implemented. In fact, provincial highway expansion was a major issue in the federal campaign and Thompson Minister Jean Charest said that he will seriously consider a request for federal funding. Some Mulroney advisers say that the highway improvements may be an irreversible commitment. Said Garry Allen, a University of

Quebec because the most recent appointment from the province, Justice Clive L'Heureux-Dubé, was from Quebec City. The field will likely narrow since Mulroney, in consultation with Premier Robert Bourassa, decides whether to return to the tradition—broken by Prime Minister Pierre Trudeau when he selected Binnie in 1978—of having an anglophone in one of the three Quebec seats. If Mulroney opts for tradition, two likely candidates are Justice Hugessen, now on the Federal Court of Appeal, and Quebec Court of Appeal Judge Paul Rouleau. One possible francophone candidate is Paul-Arthur Gendreau, a classmate of Mulroney's at Laval University's law school who served as associate deputy justice minister from 1980 to 1982 under Premier René Lévesque and is now on the Quebec Court of Appeal. Whatever he does, Mulroney will have to act on the court as a court that could last long after he has left office.

LESLA VAN DENBROEK

THE COURT AT A CROSSROADS

One of the most significant elements in the Meech Lake constitutional accord would allow the Prime Minister's authorized right to appoint judges to the Supreme Court of Canada, ensuring instead that persons be named from lists of nominees submitted by the premiers. Although the accord does not come into effect until it has been ratified by Parliament and the 10 provinces—Manitoba and New Brunswick are holdouts—the question is whether Mulroney will observe the spirit of Meech Lake when he acts to fill the Supreme Court vacancies—the fourth and fifth since he became prime minister.

The openings were created when Mr. Justice Jean Beetz of Quebec, a former professor of constitutional law at the University of Montreal, resigned on Nov. 10 after having undergone surgery, and Mr.

Justice Gerald Le Dain of Ontario followed suit last week. Le Dain, a former dean of York University's Osgoode Hall Law School, was reported suffering from nervous strain brought on by overwork. The way is now clear for Mulroney to establish a court largely at his own choosing, although he will probably consider private recommendations from prominent members of the Canadian Bar Association. He has already appointed three members. Now, two of the other six positions have come open—and Mr. Justice William McIntyre of British Columbia is expected to retire after he turns 71 next March.

However the vacancies are filled, legal specialists say there is an shortage of qualified candidates. In Ontario, one prime candidate is Frank Jacobson, former dean of the University of Toronto law faculty and former federal deputy justice minister. Jacobson, now chief justice of the Federal Court of Canada, also played a key advisory role for the federal government during Meech Lake negotiations.

The successful Quebec candidate is expected to be chosen from the Montreal legal com-



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AFTER ALL, THERE'S HEINEKEN





D'Aquino: in the face of continued opposition, supporters promise vigilance

After the decision

Critics vow to keep fighting free trade

The post-election confidence call was a signal that the cultural confrontation with the Canada-U.S. Free Trade Agreement (fta) had not ended on Nov. 21. The day after Prime Minister Brian Mulroney won his second consecutive parliamentary majority, Lucie Wella, director of public affairs at Alcan Aluminium Ltd. of Montreal, expressed telephone conversations with the other socio-economic committee members of the pro-free-trade Canadian Alliance for Trade and Job Opportunities. During the hour-long conference call, the seven men—including former Alberta premier Peter Lougheed, former Ontario cabinet minister Darcy McKeough and former federal international trade minister Gerald Rago—decided that they would not act as if the fta opponents continued to attack the agreement. Instead, they vowed to monitor passage of the legislation and the activities of the anti-free-trade forces. Declared Thomas d'Aquino, president of the Ottawa-based Business Council on National Issues and another of the alliance's executive members: "It's not a matter of 'Yes, we won, let's put it back and enjoy it.'"

Since the Tories won a majority with 169 seats in the House of Commons on Nov. 21—and a mandate to pass the enabling legislation that would put the fta into effect—the emotions that dominated both sides of the free trade debate have shown no sign of abating.

Liberal Leader John Turner, with 83 seats, and the New Democratic Party's Ed Broadbent, with 43, extended defeat to the Conservatives on the controversial issue. But not everyone about plant closings, office relocations or the trade deal have pledged to continue opposing the fta—despite the fact that pressure groups on both sides had previously said they would discontinue their efforts after the election. Indeed, as the Jan. 1 deadline for passing the enabling legislation approaches, both sides are now courting the trade battle could ensue.

Against this, 411-PTA groups are marshalling their forces in the Council of Canadians. Since the election, the national organization's spokesmen have publicly declared that they will continue their campaign against the deal. As well, the Pro-Canada Network—which claims to represent 38 national organizations and 18 provincial coalitions—has heightened the rhetoric by proposing to track plant closings and job losses, one possible consequence of free trade. And last week, labor unions meeting across Canada passed resolutions denouncing enhanced re-

training schemes for dismissed plant workers. Bob Scott, Alliance, a spokesman for the 160,000-member Canadian Public Service Employees Union, "The creation of our laws did not start six weeks ago and end on Nov. 21."

Indeed, the anti-free-trade forces moved quickly to stake out their ground after the Nov. 21 vote. Last weekend, members of both the Council of Canadians and the Pro-Canada Network met in Ottawa to devise a joint plan of attack on the government, even as it prepares to reintroduce the fta legislation when Parliament reconvenes on Dec. 12. Spokesmen for the groups, which spent more than an estimated \$750,000 on anti-free-trade advertising during the election campaign, acknowledge that there is little they can do to stop the passage of the deal. But they say that they will continue their struggles to convince Canadians that the fta will harm the country.

Spokesmen also say that they intend to monitor the effect of the agreement—particularly its possible impact on social programs and the potential loss of Canadian jobs—and do what they can to cushion people from the effects of dislocation. But Pro-Canada Network chairman Anthony Clarke: "We have a role as watchdog in the implementation of the deal." Added Maude Beaton, national chairman of the Council of Canadians: "While the Liberals and the NDP gripe and kick their heels, we will continue the fight."

Such sentiments have prompted the Alliance for Trade and Job Opportunities to redouble its effort to ensure safe passage of the deal. The alliance—organized 20 months ago and composed of 35 business organizations and corporations including the Canadian Chamber of Commerce and the Canadian Manufacturers' Association—spent about \$2 million during the election campaign to blanket the nation with print advertisements extolling the fta's virtues. Also, since March, 1987, the alliance has

prepared draft speeches for executives and sponsored more than 500 pro-fta forums across the country. Wella said that the alliance has not ruled out further radio campaigns to counter anti-fta lobbying. But he cautioned: "I am not concerned of us spending that kind of money again." But he continued: "If we left us behind, we would."

Indeed, as federal politicians get ready to debate the fta, the lobby groups have served notice on the nation that the fight is far from finished. "We thought during those sunny days [before the election] that the job of selling free trade would be over early," Wella said wistfully. Now, as Canadians ready themselves for the holidays, free trade could yet assume a place among mass anxieties—and more pleasure—concerns.

BILLY MACKENZIE and
TIMOTHY FERGUSON in Ottawa

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CLAIRE O'NEILL is Editor



Hidden addictions

The increasing abuse of prescription drugs

The elderly woman tells a friend in the missing issue that she watched a TV report about drug pushers paying on young people. "What about us old ladies?" replies the friend. "We go to our bags and sell our Valium pills." Chances in a third season they go on drugs we don't need." The dialogue is contained in *Let's Play* (the old people), a play currently being performed at schools and seniors' homes in the Ottawa area and parts of Quebec by a troupe of actors who are retired on pensions. And according to Steve Gould Richards, 66, the *Italy Circus* man who produced the play and who is chairman of the Ottawa-Carleton Council on Aging, some seniors do sell their medicines at bingo halls and many are drugged to the point of dependency by impatient doctors. "It's too easy," said Richards. "To get rid of a senior by prescribing a drug."

Drug dependence among the elderly is a significant part of a growing financial and health problem across Canada. The soaring costs and use—many advocates call it abuse—of prescription drugs by all levels of society in Ontario, the health ministry spends \$3 million a year—roughly twice the per capita spending in other provinces—on free drugs to seniors and the poor and on some drugs used in hospitals. Ministry statistics show that under the Ontario Drug Benefit Plan, pharmacists fill 22 prescriptions a year for the average beneficiary.

And the right-number *Lower Commission* in Ontario reviewing the possible over-prescribing of drugs has heard testimony suggesting that the problem may be widespread. The commission concluded as public hearings last week with a stop at Ottawa. There, Susan Elverson, executive director of the Alzheimer's Association of Canada, testified that half of the 134 women assessed by her staff between April and November were addicted to prescription drugs.

In British Columbia, the

government last year introduced a prescription-drug user fee for seniors as a way to stem the escalating costs of the provincial pharmaceutical plan—which provides subsidised pharmaceuticals to seniors and the poor. And currently, five unnamed doctors are being investigated



Pharmacists: compensating pharmacies across Saskatchewan

for allegedly prescribing unusually large quantities of drugs to addicts. The drugs include the pain-killer *Talwin* and the adult tranquilizer *Ralium*, both of which are now part of the illicit street trade. A Vancouver police department spokesman said that one of the doctors under investigation prescribed 680 *Talwin* tablets to one patient in two months. The normal prescription for chronic pain averages between 60 and 100 tablets a month.

Officials in other provinces have also expressed concern about the strain on their drug budgets. In Manitoba, where everyone is entitled to an 80-per-cent drug reimbursement after an annual expenditure of between \$45 per individual and \$150 per family, provincial spending on prescription drugs rose to \$24.7 million in 1987 from \$6.2 million in 1977. Kenneth Rogers, pharmaceutical consultant to the Manitoba health department, said that the rise was mostly at-

tributable to an annual increase in the price of drugs of between 10 per cent and 15 per cent—up to three times the rate of the consumer price index. But figures released last spring by the federal government's Canadian Centre for Justice Statistics in Ottawa show that Manitobans, especially rural residents, abuse prescription and hallucinogenic drugs to a greater degree than people in any other province. According to the center's statistics, the number of drugs used in connection with controlled drugs in Manitoba rose to 86 in 1987 from only three in 1977.

Meanwhile, critics say that the incidence of overprescribing is most prevalent among seniors, because the elderly generally receive subsidised drug care, it is impossible to statistically pinpoint how much their drug use may have increased annually. But between 1976 and 1980, the number of Canadians 65 and older increased to 15.1 per cent of the population from 13.6. And there have been clear danger signals of drug abuse among the elderly population. Among them, a study by the drug quality and therapeutics committee of the Ontario health ministry last year showed that of the geriatric patients admitted to hospital, as many as 16 per cent were treated for adverse drug reactions as far taking the wrong dosage.

For his part, Louis Pugh, a professor of pharmacy at the University of Alberta in Edmonton, also says that the problem is becoming acute. In 1987, Pugh and his wife, Ann, a nursing professor, began a study of drug abuse among the elderly. He estimates that 10 per cent of elderly people misuse alcohol and drugs—usually sleeping pills and such sedatives as *Valium*. Lonely old people may visit their doctors as much for social contact as for medical problems, and Pugh. "The quickest way to get these people out of the office is to give them a prescription," he said. "Doctors are often aware of any dependency."

In an effort to reduce the cost and abuse of drugs, several provinces have modified their regulations. British Columbia's introduction of a user-pay system for seniors—excluding the very poor—saved the government \$24 million and reduced the number of prescriptions by one million in the year before April, 1988. To guard against overprescription, the colleges of physicians and surgeons in Alberta and Saskatchewan recently introduced triplicate prescription forms. The doctor keeps one copy, and the others go to the pharmacist and the college, the doctor's regulatory body, which shares the information in a computer. In cases where abuse is suspected or alleged, the re-

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IN THE CANADIAN ROCKIES

cords can be used to trace the transactions.

To further streamline its drug plan and cut down on paper work, the health ministry in Saskatchewan, under Health Minister George McLeod, has computerized all of the province's 320 pharmacies. That initiative has earned praise from Peter Perreault, president of the Saskatchewan Pharmaceutical Association. Starting on Jan. 1, beneficiaries of the Saskatchewan Drug Plan will present a blue-and-silver plastic card to their pharmacists. The card's magnetic strip will contain the customer's health care number. The pharmacist will slide the health care card through a slot in a machine linked to a central government computer, which establishes how much of the beneficiary's deductible has been used. But the computer will also give the pharmacist an alert signal if within the past seven days the same prescription has been filled. Associate deputy health minister Michael Shaw said that the card—which will later be used for doctors' services as well—is largely intended to streamline record-keeping, although critics have said that the system may compromise patient confidentiality. The proponents argue that the new system will make it possible to monitor overprescribing doctors and patients who visit more than one physician in order to get the same drug several times.

Dr. George Carruthers, chairman of the department of medicine at Dalhousie University in Halifax, said that he thinks this so-called smart-card system—also being tested in North Bay, Ont.—is a step toward reducing the abuse of prescription drugs. But it would be better, he said, to educate doctors about the drugs they are prescribing. The estimates that by the time a doctor has been out of medical school for 50 years, half the drugs he prescribes have been developed since his graduation. And often the only information provided the doctor about the new drugs comes from the manufacturers.

Carruthers resigned as chairman of the Ontario government's drug advisory committee last January, citing the health ministry's "squandering" of money on expensive drugs. He now recommends the establishment of provincial panels of professional drug evaluators, which would recommend cheaper proven drugs over the more expensive and largely unproven ones. The Ontario Medical Association, while denying that its members are prone to overprescribing, also recommended such a system to the Levy Commission last week.

But often, the problem is not with the doctor but with patients who feel that their office visits are incomplete unless they leave with a prescription. Stuart Richard in Ottawa said that prescription-drug users, especially the elderly, must be weaned from drugs by doctors willing to provide alternatives, including exercise and diet. Said the "Eighty-seven per cent of seniors are in good health, and we should try to keep them in good health instead of keeping them drugged." Few would disagree with that objective, but how to achieve it is the question that plagues the health care industry.

BIG DOLPHIN with **DEANA GUYER** in *Right*



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Pushing the envelope

A conservative coalition will be militant

The first plea for financial support came in the form of a full-page advertisement in *The Globe and Mail* 21 years ago. Paid for by the late Colin Brown, an independent, left-leaning columnist from London, Ont., the page warned that increased government spending threatened Canada with economic doom. The thick-and-thin ad, which appeared on April 17, 1967, and cost \$25,000

in current dollars, warned readers that "all federal political parties, in their race for votes, were prepared to make Canadians, in all walks of life, the poorest taxed people in the world." Brown asked readers who shared his views to send money so that he could pay to have the ad reprinted in other newspapers across the country. The response was encouraging: Brown raised enough to reprint his message—and launch the National Citizens' Coalition, one of the earliest and most vocal business lobby groups. Most recently, it achieved prominence for its belated assault on the New Democratic Party and to a lesser degree the Liberals during the 1988 election campaign.

From its modest origins—Brown used to put together flyers and direct meetings in his London, Ont., home as a hobby—the coalition has evolved into a militant organization claiming 30,000 individual members across the country with 18 full-time employees in offices in Toronto, Calgary and Vancouver. Based on the motto "For more freedom through less government," the group promotes such traditionally small-c conservative objectives as less government intervention in the economy, the privatization of Crown corporations and the overhaul of social programs. The coalition, whose revenues this year are expected to reach \$2.7 million, tries to influence public policy by appearing directly in the public through advertising and direct mail. And David Sorenville, the organization's 36-year-old president, "We take the gloves off and we make no apologies for it."

From its quietest earth-fare office in Toronto's financial district, where the walls are decorated with framed replicas of the group's numerous ads over the past 21 years, the coalition mails off two bimonthly publications listing its activities and policy proposals and uses computers to keep lists of potential mem-

bers who might be prepared to pay \$35 each in the case of company/political conservatives. Sorenville claims that subscribers, who pay \$100 for the publications over and above the membership fee and are selected by telephone, include trade associations, teachers, lawyers, businessmen and students. "We don't lobby quietly in the background," Sorenville told *Maclean's* in an interview last week. "Our role



Sorenville, in the cause of freedom, war on uncertainty

is to provide pressure from the side that believes in free enterprise. It's not just bottom-line stuff, it's about Canadians and their lives." To that end, the coalition's main is unwaveringly uncompromising. The group strongly supports the Canada-U.S. Free Trade Agreement, which Sorenville described as Prime Minister Mulroney's greatest accomplishment. During the election campaign, mostly as a result of near Leader Edward Broadbent's popularity in public opinion polls, the organization turned its attention to what it called the "lightening action" of the New Democratic Party. "On its total election campaign budget of \$706,000, the group spent \$526,000 in select-

ed ratings in British Columbia, Saskatchewan and Manitoba, where support for the party was said to be highest. The money went to television and radio ads and a direct-mail campaign outlining the NDP's policy on NATO, defence and the deficit. According to an October newsletter entitled *Consensus*, the NDP's support had dropped four per cent in the targeted regions. "The left wingnuts in Canada are so out of it," said Sorenville. "The world has passed them by, and they are still waking up to it." The judgment was premature: the vote was 29 seats in British Columbia, a gain of 11.

And it is a matter of what which have brought the coalition back into existence from both New Democrats and union leaders. Robert Wren, president of the Canadian Auto Workers union, described Sorenville's organization as "phoney and reactionary and it has led only limited success." Said Wren: "While it attacks anything that has any social value and only support the notion of rugged individualism."

During the next four years, said Sorenville, the organization will pressure the Conservative government to finally scaling off all the shares of Air Canada in the public and accelerate the privatization of other Crown corporations, including Petro-Canada, the Canadian Broadcasting Corp. and Canada Post. This coalition, he added, also will be pushing the government to "clean up" the social program system. Sorenville, who worked as a reporter for the *Toronto Star* under former editor Peter MacDougall during the 1970s, said that Mulroney will have to confront the politically explosive issue because too many people who do not need federal assistance are getting it. "The whole idea of universality is crazy," declared Sorenville. "It's not a sacred trust, it's a sacred cure and we have to do away with it sooner or later."

But the coalition may soon find itself defending one of its most cherished accomplishments—a 1984 court decision by the Alberta Court of Queen's Bench that overturned the federal law prohibiting private advertising by outside organizations during an election campaign. Mr. Justice Donald McEachern's ruling led to the unprecedented participation of ideological groups in the last campaign and knocked off demands for electoral reform. But the coalition says that it will fight attempts at reform that would silence it in favour of Sorenville. "Our role is one of a watchdog. When we see something wrong, we step out of our tank and bite." So far, the title has not to be diminished, even if the coalition has shown one thing it has a back.

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Magge Tjener

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WORLD

REMOVING THE WELCOME MAT

THE DECISION TO BAN YASSER ARAFAT ANGERED THE ARAB WORLD AND PERTURBED U.S. ALLIES

It was one of the most controversial decisions in George Shultz's six-year term as U.S. secretary of state. With only seven weeks left in office, and against the advice of a large segment of Washington's defense and foreign policy establishment, Shultz turned down PLO chairman Yasser Arafat's request for the U.S. visa he needed to address the UN General Assembly in New York City last week. In doing so, the outgoing secretary of state intimidated the Arab world, provoked America's Western allies, and hurt the fledgling U.S.-Israel relationship with the UN—and entirely failed to

Palestinian sympathizers demonstrate at the UN: a controversial decision

defuse Arafat's of the world problems he sought. The General Assembly simply voted—by 124 votes to 2—to move its debate on Palestine from New York City to the UN's European headquarters in Geneva. And there, next week, Arafat will have his say, his case and his international prominence significantly enhanced by the gesture over the bar. Shultz's decision to deny Arafat a visa, in apparent violation of the agreement under which the UN set up its headquarters in New York City 42 years ago, had swift repercussions in Canada. In passing the chorus of criticism against Shultz, Secretary of State for External Affairs Joe Clark became involved in his second confrontation this year with the influential Canada-Israel Committee. And, in fact, after Canada takes its seat on the 15-nation UN Security Council in January, more confrontations seem likely. As a nonpermanent member of the council for the next two years, Canada will inevitably be called upon to vote on controversial resolutions concerning the Israeli-Palestine issue. The showdown over Arafat's visa was begun to shape up after the Nov. 25 meeting in Algeria of the PLO's parliament-in-exile, the Palestine National Council. The PNC voted unanimously to declare an independent state in the Israeli-occupied West Bank and Gaza Strip, and appeared in doing so to have explicit recognition to the Jewish state. Sixty-eight states recog-

nized the embryonic Palestinian state in the first two weeks of its 1988 session. Many other nations welcomed the PNC announcement, which included for the first time the acceptance of UN Resolution 242, which calls for the surrender of territory occupied by Israel in the 1967 Six Day War, while at the same time recognizing the right of all Middle East states—including Israel—to exist within secure boundaries. In seeking to address the General Assembly on Dec. 1, Arafat had the clear intention of promoting some recognition for the Palestinian state. But American Jewish groups and 31 members of the U.S. Senate urged Shultz to refuse Arafat a visa—and, on Nov. 26, Shultz did so. Citing a clause in the headquarters agreement between the UN and the United States that he claimed allows Washington to bar individuals it considers a security risk, Shultz described Arafat as "an accessory to terrorism." In a written statement, he ordered some number of operations carried out in recent years by acts under the command of Arafat's Al Fatah organization. The Shultz statement also mentioned the presence at the PNC session in Algeria of two notorious murderers: Abu Akleh, leader of the Palestinian faction that hijacked the cruise ship Achille Lauro in 1985 and killed Leon Klinghoffer, an elderly, wheelchair-bound American Jew. In Washington, President Ronald Reagan and his secretary supported Shultz's decision. And answering media questions on the Shultz statement, a state department official spoke of the secretary's "personal and deep-seated concerns" about terrorism. Indeed, "Force 17," one of the PLO terrorist units mentioned in the statement, had claimed responsibility for two apparent killings on the secretary's life—see in March, 1985, and another three years later—when car bombs were placed close to Jerusalem hotels where he was staying. And Washington insiders said that Shultz was deeply concerned by a grimy plot that Arafat made to recruit weapons to Hezbollah in Lebanon. An Italian court, in July, 1986, had found Arafat guilty in absence of murdering Klinghoffer, who was shot in the head and dumped westward in his wheelchair. But when questioned about this, Arafat quipped, "Maybe [Klinghoffer] was trying to swim for it."

Still, observers pointed out that Abu Akleh, the leader of a top hit squad, was one of 45 radicals who had renounced the PNC's acceptance of Resolution 242. And members of the UN Security Council, Western diplomats and Middle East experts expressed assurance that Shultz would give his personal resolution to drastic U.S. policy at such a critical moment in the evolution of the Middle East situation. William Quigley of the liberal Washington think-tank Brookings Institution said that most governments took a "more realistic and less emotional" view of terrorism than the Reagan administration. "After all," he said, "what Third World revolutionary movement has not resorted to these kinds of acts? The Algerians did, so did the Kenyans and the Israelis. No, we didn't like it then, but we deal with them now."

Even stronger criticism came from Joseph Verner Reed, the most senior U.S. official in the UN Secretariat. Reed, a UN undersecretary general, is a Republican supporter and former Wall Street banker who is an first name team with President Reagan. In a letter to Reagan of weeks end, Reed called the Shultz decision "baffling and contradictory," and said that it had done "incalculable damage" to U.S. credibility.

Reed last week, in the UN Committee on Host Country Relations, UN legal counsel Carl August Fleischauer quoted from the headquarters agreement to show that Washington could not bar individuals wanted to address the General Assembly—over them a consistent security threat—provided they assumed under the Headquarters District and its immediate vicinity." Assured Fleischauer: "The host country was and is under an obligation to grant [Arafat's] request."

Meanwhile, in Europe, many of Arafat's friends and allies were openly critical of the ban. The Italian government expressed its "deepest amazement" and called in the U.S. ambassador for an explanation. A West Ger-



Arafat getting a platform for the Palestinians in Geneva

man spokesman said that Shultz's ban was "out of the type to frustrate the Middle East peace process." And a French foreign ministry spokesman appealed to Washington to reconsider, saying that it would be "normal" for Arafat to go to the UN as he is the past—a reference to the 1974 vote, when he was an empty brawler on his belt and said that he had come with "an olive branch in one hand and a gun in the other." Even the British

World Notes

LABOUR SPURS SHAKES

The Israeli political situation deepened when the executive branch of Israel's leftist Labour Party voted 61 to 27 not to negotiate entering a coalition government with the right-wing Likud bloc. Labour then reached an agreement with the ultra-Orthodox Agudat Israel party, apparently blocking Arafat from forming a government with Israel's small religious parties.

HUNGARIES SURPRISED

Five Soviet armed robbers surrounded after flying to Israel on an El-Al 74 cargo plane provided by Soviet authorities in exchange for the freeing of a handful of schoolchildren that the robbers had kidnapped in the southern part of the country.

EUROPEANS PAIN U.S. LAW

The European Court of Human Rights ruled that a British law—which permits the detention of people suspected of connections with terrorist groups for up to a week before they are charged—violates the European Convention on Human Rights.

POISH UNIONS DEBATE

Polish Solidarity leader Lech Walesa clashed with Communist party parliament member Alfred Madzowiec, chairman of the office's All-Poland Trade Union Accord, in a live television debate. Walesa accused Poland's Communist rulers of refusing political, social and union freedoms.

MEXICAN PRESIDENT

Carlos Salazar de Gortari, 44, a Harvard-educated economist and leader of the Institutional Revolutionary Party, was inaugurated as Mexico president last Thursday amid opposition protests denouncing his July 6 election as fraudulent.

AGNOSTIC BIRMALISM

Rebel soldiers ousted Anguilla's largest military base and demanded amnesty for jailed members of the armed forces, including five former police members who are serving sentences for human rights abuses during the 1974-76 military dictatorship and for negligence in the 1982 Falklands War with Britain.

FLOODS IN BANGLADESH

Bangladesh—still recovering from devastating floods in August and September that killed 3,000 people—now has been hit by a second cyclone in 20 years and a subsequent 15-foot tidal wave that may have killed as many as 5,000 people.

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government, usually the Reagan administration's staunchest supporter, was clearly disturbed. Although Britain abstained when the General Assembly voted 151 to 1 to 'deplore' the U.S. ban—and did so again when the assembly voted last Friday to move the debate to Geneva—the British delegate, Sir Cresson Tickell, said that the United States had "a legal obligation" to let Arabic go.

Canada voted for the resolution deploring the ban, although Canadian chief delegate Yves Fortin said that the language of the resolution "could have been more constructive." And again on Friday, Canada voted for the resolution moving the site of the debate, which was opposed only by the United States and Israel, with Britain once more abstaining. "At this time in particular," said Fortin, "all those voices which could make a contribution to resolving the difficult situation in the Middle East should be heard in this forum."

This echoed a statement issued in Ottawa earlier in the week on behalf of *External Affairs* Clark, who was on holiday in it. Clark said that he was "very concerned" about the ban on Arabic. "We believe that now, more than ever before, it is important that Arabic's views be heard before an international forum," the statement added. The Canada-based *Canadian Jewish Congress*—the CJC said that it "strongly disapproves" with Ottawa's position, and called Arabic "the longtime leader of the world's foremost terrorist organization." The conflict of views recalled the uproar last March when Clark, in a speech to the CJC, called Israeli tactics in dealing with the Palestinian uprising in the West Bank and Gaza "unacceptable."

But beyond the issue of Arabic's war, many observers, diplomats and UN officials expressed disapproval last week at the water, long-term occupation of the ban. In voting on Dec. 2 to move the debate to Geneva, the General Assembly resolved the deeply divided vote in an estimated \$440,700 in additional costs and set what many diplomats and UN officials said was a very bad precedent. The General Assembly had never before met outside its New York City headquarters, and one senior UN spokesman, who requested anonymity, commented, "This affair has broken down a major barrier against the possible idea of letting the General Assembly go tramping around the world to hold its debates." He added, "It has also given Arabic a special prominence he would not otherwise have had. The whole business is an unfortunate mess."

Still, in Washington, Shultz remained unimpressed. "It was the right decision," he said. "I stuck by it." But, as many observers pointed out, it was Shultz's successor, secretary of state-designate James Baker, who would have to live with the consequences.

JOHN HIRSHMAN with BEN KASSER in Washington and PETER LEWIS in Beirut



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Passing the acid test

Democrats elect a Maine senator as leader

For Canadians the good news from Washington last week was that the Senate's 55 Democrats elected George Mitchell of Maine, an advocate of strong legis-

lation to curb acid rain, as their leader. The bad news was that as a staunch protectionist—one of only nine senators to have voted against the Canada-U.S. Free Trade Agreement—Mitch-

ell is now in a position to make future trade negotiations more difficult. Still, presidential-elect George Bush had some positive things to say about eliminating acid rain when he met environmentalists. And American trade experts predicted that Mitchell would limit his protectionist efforts to blocking other exports of aluminum and petroleum from his home state.

Mitchell, 55, became majority leader on Nov. 29, replacing the retiring Sen. Robert Byrd who, as representative of the coal-producing state of West Virginia, was a leading opponent of anti-iron legislation. And when Mitchell later met with Bush to discuss legislative issues, acid rain was on the agenda.

In fact, that meeting was the second last week at which the topic was raised. On Wednesday, representatives of major environmental groups met the president-elect to present a list of 700 recommendations. Close to the top was acid rain. And although Bush made no specific commitments, the environmentalists came away apparently convinced that, in the words of John Adams, executive director of the National Resources Defense Council, "he was prepared to take action."

But that would be a dramatic reversal. In Ronald Reagan's eight years in office, repeated Canadian pleas for U.S. cooperation in cleaning acid rain went largely unanswered and, as vice-president, Bush followed the pro-industry, anti-environmental Reagan line. As a result, when he climbed during the election campaign that he was an environmentalist, the environmental lobby was doubly skeptical that his week's meeting meant to have altered many of their doubts. Indeed, Jay Har, president of the National Wildlife Federation, said the difference between Bush and Reagan on environmental issues was "like night and day."

In his meeting with Mitchell, Bush once again made no firm commitments. But sources said that the more gradualist incline of his administration to work with Congress on acid rain legislation. And as yet another expression of optimism regarding acid rain, Frederick Krupp, executive director of the Environmental Defense Fund, cited Bush's appointment of James Baker as secretary of state. "We are very happy about that," Krupp said. "We know [Baker] came about such issues in real rain and Canada."

On the other hand, on the trade issue, Mitchell claims that Canada requires further subsidies to guarantee exports that compete with the products of his home state. But some Washington trade experts doubted that there was reason for the dispute that apparently exists among Canadian trade negotiators. Robert Morris, of the National Association of Manufacturers, told Mitchell's "DE" (Environmental Defense Fund) that "DE" (Environmental Defense Fund) will always try to look after Maine. He will always be worried about laborers and politicians. But he won't get in the way of the overall agreement." That night, too, resistance between environmentalists and fishermen in Atlantic Canada, but for Canadian environmentalists, the outlook was distinctly brighter.

JOHN BURNHAM and WILLIAM LUTHER
in Washington



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crisp and oh so smooth.
And that
about wraps it up.



WORLD

PAKISTAN

Return to democracy

Prime Minister Bhutto pledges reform

Wearing a yellow head scarf and a brown wool shawl, Benazir Bhutto walked purposefully into Islamabad's sombre grey parliament building last week to be sworn in to the national assembly. Spectators in the gallery, listening parliamentary rules, gave her a standing ovation. They cheered. "Bhutto made her! Bhutto is not dead!"—51 years after Gen. Muhammad Zia ul-Haq overthrew Bhutto's father, Zulfikar Ali Bhutto, in a military coup, and then hanged him as a convicted murder conviction. His daughter's victory had been a long time coming. Since after her Pakistan People's Party (PPP) won the most seats in national assembly elections three weeks ago, President Ghulam Ishaq Khan hesitated until it became clear that Bhutto's rival, Nawaz Sharif of the conservative Islamic Democratic Alliance (IDA), could not form a coalition government. Finally, on Dec. 1, Khan opened an national television and nominated Bhutto as Pakistan's first woman prime minister, returning the country to democracy after 11 years of de facto military rule.

Khan also ended the state of emergency imposed on Aug. 17 when Zia died in a plane crash. The following day, Bhutto was sworn in for a five-year term in an emotional 40-minute ceremony at the presidential palace in Islamabad. In her first speech as prime minister, Bhutto, sitting before a portrait of her father, outlined a sweeping liberal agenda. She announced that she would eliminate army-mandated "hunger and obstructing" job restrictions on trade unions and the media, review all cases of all political prisoners and improve working conditions for women. And she pledged to compensate people who suffered under Zia's rule. Declaring Bhutto, "We will heal the wounds. We will overcome our differences through tolerance, understanding and friendship" that she acknowledged major problems. "Our whole country is on the verge of bankruptcy," she said. "We are on the brink of catastrophe."

From the day of her swearing in, Bhutto had 68 days to win a parliamentary vote of confidence. Although the PPP does not command a majority—it has 325 members in the 337-seat assembly—the claimed to have the allegiance of at least 12¹ deputies, enough to reduce her government. But she will not control all that in Pakistan's provincial governments. In fact, when the Sharif swept out of the race for prime minister, he gave up his seat in the assembly to concentrate on forming a government in the Punjab, Pakistan's most affluent and populous province.

He was able to retain his position as Punjab's chief minister—a pivotal post from which he could choose to launch a challenge to Bhutto's power.

Overall, the elections represented a re-



Bhutto (left) swears Bhutto in; even opposition leaders applauded the elevation

marking defeat for the IDA, which includes many Zia loyalists. When it became clear that the IDA could not form a coalition government, the main-party alliance began to come apart at the seams, unable to agree on whom to choose as its opposition leader in parliament. In an effort to find a compromise candidate, Sharif approached Pakistan's other well-known woman politician, Syeda Abida Husain. But Bhutto turned her down, leaving the post open at week's end.

Bhutto's struggle will extend far beyond just the opposition. Pakistan has two hostile neighbors, India and Afghanistan. The Indian problem was evident last week when the New Delhi government accused Pakistan's senior defence attaché and one of his assistants of spying and expelled them from the country. Pakistan retaliated by expelling two Indian diplomats. Bhutto's diplomatic skills will also be tested later this month when Pakistan hosts the South Asian Association for Regional Cooperation's annual summit in Islamabad, which Indian Prime Minister Rajiv Gandhi is expected to

attend. Gandhi may have made that job easier last Friday when he sent Bhutto an unusually warm letter of congratulations, saying that he wanted to work to eliminate conflicts between their two countries.

Bhutto will also have to placate her own military. The army will try to maintain its control over policy in Afghanistan, where Pakistan has been backing rebels fighting the Soviet-backed regime in Kabul. As well, military leaders will want to protect the \$3-billion defence budget. That may conflict with demands by the poor, who say that Bhutto's large numbers because of the appeal of her populist belief. Pakistan has an average annual per capita income of only \$460 and an literacy rate of at least 70 per cent; Bhutto pledged to

help provide clean water, schools and health clinics. But—because Pakistan faces a massive \$13.8-billion foreign debt—she may have difficulty accomplishing that. Meanwhile, parliament and the provincial governments will elect a president on Dec. 12, and Bhutto may support Khan for re-election in order to reassess the armed forces.

At the same time, Bhutto, who has no experience in government, will have to deal with the conservative religious leaders who still must fight a constant battle in Islamic state. But these leaders' problems pale, last week, when the explosion of Pakistan's return to democracy swept the country. Pakistanis celebrated in the streets, shouting firecrackers and Kalamshah rifles into the air, and even opposition leaders applauded Bhutto's election. Said retired army marshal Asghar Khan, a political rival: "It's a very good thing. It's time that a democratic process started."

KARY KEMITH with LARK DAUGHTER in Islamabad

GORBACHEV GOES ON THE ROAD

THE DRIVE FOR DEMOCRACY IS FUELLING ETHNIC TURMOIL IN THE CAUCASUS AND REBELLION IN THE BALTICS

Inade the Kremlin's overtures St. George's Hall, delegates squabbling excitedly among themselves. Spectators, jamming the gallery, peered down anxiously through binoculars. It was shortly after noon last Thursday, and the 1,500 deputies of the Supreme Soviet had just taken part in an unprecedented—and unexpected—display of democracy. The overwhelming majority had approved constitutional restrictions proposed and propelled by Soviet leader Mikhail Gorbachev, that effectively dismantled their position by abolishing the Supreme Soviet in its present form. Even more dramatically, five deputies had rebuffed Gorbachev by voting against the amendments—upsetting the Soviet Union's once-sacred tradition of public unanimity—while another 25 deputies abstained. But when Gorbachev stepped to the podium, his tone was decidedly conciliatory. "All of us are in a school of democracy," declared the Soviet leader, "and we should be good pupils." With the passage of sweeping changes to the Soviet Union's electoral system, Gorbachev made significant and historic progress toward that goal.

High-profile: Gorbachev paved the way for the earliest next year of newly elected bodies that would give the country more elected deputies than ever before. At the same time, he managed to attract and increase his own power by constitutionally increasing the power of the president, a post he holds along with his position as general secretary of the Communist party. "I have created the opposition," said a Moscow-based Western diplomat, "of everyone now power—including himself." With these political accomplishments behind him, the Soviet leader was preparing to take off the

week on a high-profile, nine-day trip to the United States, Cuba and Britain. As the United Nations, he was widely expected to make a major announcement on Moscow's intention to improve its position on human rights, and the journey seemed certain to burnish his already shiny image abroad (page 38).

But Gorbachev's travels were also plainly designed to distract attention from a gathering storm of internal troubles. With his notorious experiments in perestroika (economic reform) and glasnost (openness), the Soviet leader has helped to unleash a torrent of emotions in far-flung sectors of the 15-republic Soviet Union (page 31). The Baltic republics of Estonia, Latvia and Lithuania

continued their drive for greater autonomy. Two weeks ago, the rebellious Estonian legislature passed a resolution declaring the republic to be "sovereign."

Aid: At the three-day Supreme Soviet session last week many Estonian delegates shouted their opposition to vote against Gorbachev's constitutional amendments only after the Soviet leader pledged that he would hold future talks on national autonomy. Baltic leaders and elites also wanted to see how Gorbachev would ultimately respond. "The whole world is watching," said Jüri Aravild, secretary general of the Estonian Central Council in Canada. "This is the real test of Gorbachev's realism."

Even more ominously, continued fighting in the southern Transcaucasian republics of Armenia and Azerbaijan has brought the official death toll to more than 80 over the past nine months. At issue is control of the region of Nagorno-Karabakh, which is largely populated by ethnic Armenians but which has been controlled by Azerbaijan since 1922. The conflict is viewed in the religious differences between the largely Chris-



Gorbachev: taking a historic gamble



ian Armenians and the Muslim Azerbaijanis. In Baku, the Azerbaijan capital, where government officials fear the growing influence of Islamic fundamentalists, thousands of Muslim demonstrators last week waved placards bearing the image of Iran's religious leader, Ayatollah Khomeini. Official Armenian radio reported that more than 30,000 ethnic Armenians had fled Azerbaijan over the past month, while about 40,000 ethnic Azerbaijanis had left Armenia. Still Arkady Volyn, a special Kremlin representative to the two republics: "The situation is boiling."

Resisters: Nationalist tensions also rose in neighboring Georgia, where more than 300,000 people demonstrated two weeks ago against the constitutional amendments. Several Soviet newspapers reported last week that "dozens" of protesters were staging hunger strikes. "Why cannot the country have a few parties with different views on socialism?" asked Georgian writer Akaki Bakradze, the chairman of the national All Georgia Resistance Society. "If republics enjoy full sovereignty, it should be up to each one of them to have a one-party, two-party or multiparty system."

Faced with multiple challenges from the nation's restless republics, Gorbachev was widely expected to use the Supreme Soviet session to aggressively reassert Moscow's control. And in fact, the official news agency, TASS, which receives advance copies of Gorbachev's speeches, initially published a summary of his address that contained sharply critical remarks about the Estonian parliament. But when he actually spoke, he made no such statements, and TASS issued a retraction. The speech suggested that Gorbachev, after the speech had already been printed and released, had decided to moderate its tone.

And moderate it was. The Soviet leader told delegates that the scale of public protests—and more than 300,000 letters sent to the Kremlin—had made him aware that "some provisions in the draft laws were formulated improperly." As a result, he said, 58 of 117 planned changes to electoral laws and constitutional amendments had been altered, and some of them required to decrease. Declared Gorbachev: "Political reform is a kind of progress needed by the public organism."

Checks: Strictly, the new system curtails their responsibilities in some parts of the 11-5 political structure, as are increasing roles. Gorbachev said that the new Soviet system will include built-in "checks and balances." A newly established 2,250-member Congress of People's Deputies will meet once a year and be responsible for electing a president and a re-elected Supreme Soviet. The new parliament will hold spring and autumn sessions, each running for two or three months. By contrast, the present parliament has met no more than once a year, for several days at a time. The presidency, once largely a ceremonial job, will now run the country's general administration, also responsible for executive, legislative and

Demonstrations in Armenia: a conflict rooted in religious differences

LENIN DECLARED CONFIDENTLY THAT REPUBLICS WOULD NOT BREAK AWAY

various with foreign countries and chart the Defense Council. Each republic will have a similar, two-level parliamentary structure.

Altered the opportunity for renewed discussion of the amendments, many deputies responded with enthusiasm and enthusiasm. After the spirit of autonomous debate, some centered on traditionally germane topics: a young female delegate from Maldives and an elderly delegate from the rural Kordovir region argued politely over whether the voting age should be raised to 21 from 18. Her offers rejected into more dangerous territory, reflecting the latter tensions between some of the country's more than 100 different nationalities and language groups.

Delegates from Armenia and Azerbaijan traded accusations over which side was responsible for continuing bloodshed. Some deputies bitterly criticized Lenin's earlier declaration of sovereignty, which was ruled unconstitutional by the Supreme Soviet. But Euzova President Ananidze responded with a renewed plea for increased rights for the individual republics. "We should allow each republic the right to decide how to elect its deputies," said Ananidze.

Impassioned: In fact, the Baltic republics carried their push for increased powers to the very end of the session. At the last moment before the vote on amendments, Dzerzha Seferia, a delegate from Latvia, attacked other deputies by making an impassioned plea for a change that would have given the republics more power in the parliament. The amendment was defeated by a vote of 1,385 to 23 after Georgy Krasnovsky, an alternate member of the Politburo who was supervising voting, spoke against it. But the fierce heat of open disagreement signalled a marked change from the past. "The time of emotional unanimity is gone," said Mohamed Amrov, a deputy from the Central Asian republic of Tadzhikistan. "What was once was considered almost a crime."

So clearly, the debate over the powers of Soviet republics is far from over. International reviews have played a regular part in the country's history since the 1917 revolution. The problem is compounded by the country's enormous size: the Soviet Union is spread across 11 time zones and has a land mass that is larger than the combined size of Canada, the United States and Mexico.

Proponents of increased powers for the republics often argue that Vladimir Lenin, who is regarded as the founder of the Soviet state, believed in giving constituent republics the authority they desired—indeed, the right to become independent. In 1924, Lenin wrote in 1917, "They tell us that Stalin will be partitioned, will fall apart into separate republics, but we have no reason to fear this. However

many independent republics there may be, we shall not be afraid."

Despite that, present-day Soviet officials have reasons to be nervous over the depth of nationalist feelings in several republics. Rejection of Soviet rule is particularly strong in the three Baltic states, where many residents have never considered themselves willing members of the Soviet Union. Latvia, Lithuania and Estonia were independent from 1920 until 1940, after an agreement between Berlin

for their ethnic groups to survive, they need legislative control over such areas as language, culture and immigration. The impetus for change in each of the Baltic republics has come from powerful grassroots movements that formerly fought war for greater powers within the Soviet Union. But some of their policies, including creation of a separate monetary system and the right to trade independently with Western countries, border on full independence. Some opponents say privately that many of these moves are only adventurism remaining in the Soviet Union in order to avoid a confrontation with Moscow. "Gorbachev gets in a mood to believe," said Mervin Valenta, a political commentator on Latvian television. "But some of our people have no belief left in this."



and Moscow allowed the Soviet Union to annex the republics in return for a sovereignty treaty. The three republics, often referred to as the Soviet Union's "window on the West," comprise one of the country's most sophisticated and industrially advanced areas. Residents of other parts of the Soviet Union often go to the region for vacations, or to study in the relatively well-stocked shops.

Split: That those same factors have also promoted a strong spirit of independence among local residents. The first language of each of the three republics bears no relation to Russian, and fears of assimilation by migrating ethnic Russians have been growing in recent years. Because of that, many Baltic residents have begun to argue that in order

to live in their dealings with Moscow. Larry Black, director of the Institute of Soviet and East European Studies at Ottawa's Carleton University, said that the Bittinists would probably not "create a situation where violence is likely." But he added, "The Russians are not going to back down." Gorbachev's handling of the crisis has also delivered mixed messages. "It is very hard to read," said Ananidze. "On the one hand, Gorbachev is waving a big stick in our faces, and then he often acts like a weak branch." But the Baltic uprising galvanized the anger and violence that have paralyzed the southern Transcaucasian republics. The clash between Azerbaijanis, Armenians and Georgians erupted into full-scale fighting last



Latvian demonstrators in Riga demand that border on full independence

February, killing more than 30 people—mostly Armenians—in the Azeri town of Sumgait. Azeri Baku, the two groups have been in almost constant conflict, despite the pronounced presence of Soviet troops. Last week in Baku, Soviet soldiers dispersed a crowd of about 1,500 Azerbaijanis who were trying to attack Armenians. Despite such clashes, the Transcaucasian conflict has not resulted in full-scale civil war. "The Armenians are far from optimistic," said Leonid Kiselev, a member of the Armenian National Committee in Toronto. "But at the same time in Yerevan, they have not adopted anti-Gorbachev, nor Soviet separatist positions."

Roots: In fact, in addition to its religious causes, the conflict has historic roots that do not even involve the Soviet Union. The Armenians have never forgiven the Azerbaijanis for briefly supporting Turkey, which had persecuted Armenians during the First World War. The dispute has also demonstrated Moscow's apparent impotence in dealing with interethnic conflicts. Although Gorbachev reportedly opposed strong support in Armenia, that has faded because of the Kremlin's refusal to change the status of Armenia-populated Nagorno-Karabakh in Azerbaijan, which borders on Iran. Soviet authorities have committed a marked increase in support in Moscow. Transcaucasians in recent years. There is a sense of greater unity to Moscow. The estimated 45 million Soviet Muslims form about one-eighth of the country's population—and their numbers are growing

quickly. Some demographers estimate that the largely Muslim, central Asian populations are expanding at five times the rate of the country's European republics (page 36). Worry over that high rate of growth is compounded by traditionally uneasy relations between the nation's domestic ethnic Russians and its Muslim majority. One of the first—and still one of the worst—ethnic riots under Gorbachev took place in Moscow in 1988.

Armenians protesting in Moscow: better clash



treatment of the country's minorities. Residents of non-Russian republics often complain that they were persecuted by people from Moscow who neither understood nor cared about their language, culture and customs. "Our Russian brother has been guilty of some arrogance and scorn," declared one Gorbachev supporter, Supreme Soviet deputy Anisimov of Tadzhikistan. "This cannot live in a republic without respect for its ethnic traditions and language."

For its part, Gorbachev is the first Soviet leader with no previous experience serving in a non-Russian republic. Because of that, some analysts say that he came to office under no support for ethnic divisions. Indeed, one Moscow-based diplomat, "His philosophy has always been to put the best person on a job, while ignoring their background. In this context, that is not always the best policy." Many analysts also agree with Gorbachev's assertion that the country's new reforms have compounded problems by removing past barriers and encouraging dissent. As Gorbachev told his prime Soviet cabinet last week, "Power politics has literally blown up the illusory glass and hierarchy which required assent in our country."

Conflicting: Last week, the Kremlin issued a series of conflicting signals in the future direction of glasnost. On the one hand, Moscow ceased jamming the transatlantic signal of the United States' Radio Liberty network, which broadcasts to the Soviet Union in Russian (page 35). Soviet officials also eased restrictions on some news, in a sign of greater openness. But, for the first time, the full walls of Russian-American editor Vladimir Lukin will be put on sale. But they contained those warnings by a

THE REFORMS ARE INCREASING THE POWER OF THE PRESIDENT

publicly toughest stance against two long-time political opponents, and Vladimir, the 45-year-old son of the late Soviet leader, is in charge of political ideology, who is in charge of the publication of several works by author Alexander Solzhenitsyn, including his latest *Archipelago*. "To publish Solzhenitsyn," declared Mikheev, "would mean to undermine the foundations on which today's life rests." Moreover, Soviet authorities rejected plans from some Western groups to release dissident journalist Sergei Gornovitsky, who was arrested in Armenia early last week.

Outlays: Much of the Kremlin's future hopes for internal peace are pinned on more positive steps. Gorbachev has announced that, in June, 1988, he will hold a Central Committee meeting devoted exclusively to discussing improvement of interethnic relations. The Soviets have also begun to grant additional rights to linguists after their Russian in many republics and they have started to reinstate teaching of other languages in ethnic-Russian republics. And over the past year, Soviet authorities have

informally begun to permit religious displays. They even participated actively in this year's celebrations of 1,000 years of Christianity in the country. Still, widespread suspicions persist some religious Russians say they fear that, as in the past, publicly declaring their beliefs will cost them their jobs.

The Kremlin clearly hopes that the new political reforms will provide an outlet for dealing with such fractious issues. With an estimated number of candidates allowed to run in the

elections for the new congress in March, 1989, Gorbachev said that he expects "an unprecedented degree of interest in the political process." Such observers maintain that such public optimism may mask a private realization that, unless he can settle interethnic tensions, Gorbachev's entire reform program may be jeopardized. With ethnic unrest growing, the Soviet leader may come under increasing pressure from Kremlin conservatives to restore order with a heavier hand.

Notes: In the long run, Gorbachev is plainly looking on the country without growth coming to new his reforms as beneficial. But in his lesswell-remembered to delegates last week, he said that some proposed changes had met opposition because they "were not understood right away." With his skillful political maneuvering, Gorbachev has bought himself more time to expose his singular vision of a new Soviet Union, and to the public in *perestroika*, he has also turned up long-held reservations that, even within his vast and varied country, could prove difficult to control.

ANTHONY WILSON-SMITH
in Moscow



Raisa and Mikhail Gorbachev to domestic workers

to this bureau of free enterprise, the Trump Tower. And estate developer Donald Trump hoped that, by seeing the showman of his hopes, the Gorbachevs would get "a really great shot of what New York and the United States are about."

In stark contrast, the secretary of Gorbachev's own son was to take him to Cuba on Dec. 9. Soviet support for the Castro regime is running at about \$7 billion annually. It is estimated that Moscow's aid accounts for about 25 per cent of Cuba's gross national product. But, and therefore the U.S., "Cuba must be extremely displeased by the Soviet rapprochement with the West," Gorbachev is going to Cuba to hold Castro's hand and offer reassurance.

After his careful balancing act in Cuba, Gorbachev will fly to London on Dec. 12 for a three-day stay. The Soviet leader and British Prime Minister Margaret Thatcher have long expressed mutual respect. A renewal of their acquaintance could provide a welcome interlude for the globe-trotting Gorbachev—before he returns home to a host of waiting troubles.

BARRY CARNE and Lewis reports

GLOBE-TROTTING GORBACHEV

Mikhail Gorbachev was enjoying the prospect of his travels this week through New York and Hawaii, it was probably no accident that his tour, which was scheduled to take him to London next week, is merely the latest in a sort of international activity that allows the Soviet leader to play the role of world statesman that he so clearly craves. It also provides a welcome opportunity to shift attention away from his increasingly intractable problems back home. "It's very important for him internally," said Prof. Adam Ulam, a Soviet scholar at Harvard University. "He needs to be seen at home as a leader pursuing peace."

Lately, Gorbachev has embarked on a hectic round of foreign policy ventures. In the past seven weeks, he has entertained West German Chancellor Helmut Kohl, French President François Mitterrand and Brazilian President José Sarney. He also managed to sandwich on a quick trip to India to meet Prime Minister Rajiv Gandhi and to Beijing to arrange a breakthrough visit to toppling new time next year.

The outcries of all that activity, however, was to be the Soviet leader's three-day stopover in New York City this week. There, he was scheduled to deliver a major address to the UN General Assembly on Dec. 7, the first by a Soviet leader since

Premier Alexei Kosygin visited in 1957. Afterward, Gorbachev was to attend a formal luncheon—on Governors Island, a U.S. Coast Guard station and former U.S. army installation in New York harbor—with President Ronald Reagan and president-elect George Bush. At a news conference last week in Moscow, deputy foreign minister Vladimir Pavlovsky said that the Soviets wanted substantive talks on arms, Afghanistan, Central America and the Middle East. The meeting he added, was "an important link in the development of dialogue." But Gorbachev's stop was also scheduled to include more topical Manhattan sightseeing. The Soviet leader and his now-striking wife, Raisa, planned to tour the city, including a visit

WINDS OF CHANGE

GORBACHEV'S GROUNDBREAKING FREEDOMS

BY ARTYOM BOROVIN

Artyom Borovin is a reporter and deputy foreign editor of Ogoniok, the weekly general-interest magazine that is one of the most widely read magazines of Soviet leader Mikhail Gorbachev's policy of glasnost (openness). Borovin 27, has gained widespread acclaim as one of the first journalists to test the limits of free policy through his frequent and critical analysis of the problems faced by Soviet coastal troops in Afghanistan. He wrote the following assessment of the Gorbachev press exclusively for Maclean's.

I've had some along 40 years ago, Mikhail Sergeevich Gorbachev would have been taken to one of Josef Stalin's numerous prison camps. Under Leonid Brezhnev's rule, Gorbachev would have been sent to the crazy house or to the city of Gorky like a dissident, far away from the Western press. Even five years ago, not a single person in the Soviet Union could even think that their new general secretary would have the ideas and convictions of Mikhail Gorbachev.

Changes: Glasnost, human rights, democratization, democracy, freedom of conscience, freedom of the press and religion—all these had never been discussed or mentioned by general secretaries of my country. They never even considered them. People used to discuss these issues, whispering in each other's ears, somewhere in the kitchen, keeping an eye on the neighbors. "Goli lozers," they thought. "Perestroika there is a complete sham."

Within 20 years, our country has achieved changes in public life and attitudes that it had not previously managed over entire centuries. Until very recently, people measured in private when and how they thought. Perestroika there is a complete sham."

that the nature for change would come from their party leader. Suddenly and unexpectedly, Gorbachev, who was known only to the Politburo members who had dealt with clandestine meetings, tried to get things moving.

What he has achieved? First, it has become possible to test oneself to be a real person. One no longer feels like a screw waiting to be turned, as was the case under Stalin, Brezhnev and Andropov.



A market in Moscow: people used to discuss democracy in whispers

whose way of thinking had been explained as the country for almost 70 years, now open to be as a minority.

Democracy: Beyond the war in Afghanistan, which has taken more than 13,000 young lives, is now coming to an end. Those are

long withdrawn. I am convinced that if Brezhnev or Konstantin Chernenko were in power, the bloodshed would be continuing.

Although our country's position in foreign policy has decreased in recent years, Gorbachev's success on that front—judging the improvement of relations with the United States—has made him even more popular.

People also approve of the energetic and courageous steps Gorbachev has taken at home. Only he finally made it possible to discuss the special food stores previously reserved to high party officials, and to reduce the number of personal cars that the government assigned to so-called bosses.

Another laudable step that Gorbachev took, if one considers the popularity of vodka in Russia, was to begin an anti-alcohol drive in 1985.

Glasnost: Other things are also new. They include the decision to allow an unlimited number of candidates to run for the same position during elections, the election of directors at business enterprises and the chance to say, without fear, that "I believe in God"—and not be dismissed from one's job.

The new openness has been especially important. Of course, we still have censorship, but the mass press is now in the hands of the journalists, who think what will happen if I describe this or that? We have not reached the full value of glasnost, but even today's level intensifies as we still cannot believe our eyes, as it really goes on here in the Soviet Union.

Who would have imagined five years ago that Soviet openness would finally permit businessmen in Eastern European countries, to the point that they would withhold

some liberal Soviet politicians? Who would have thought that the general secretary would discuss giving them more freedom in the press, which sometimes carries out the functions, by default, of an opposition party? Moreover, glasnost has not affected all

COVER

DEFICITS AND ETHNIC STRIFE THREATEN GORBACHEV'S REFORMS

newspapers and magazines. Some editors and journalists in 1989, I long ago stopped being angry. Now, I feel sorry for them. There is no wonder less than the section of your intellect.

Still, a shared characteristic of Gorbachev's changes is that none of them can be touched, taught, eaten or worn. People usually judge by deeds, not words. In that case, we have had no change—and to some extent, the situation has become worse. For example, in May of this year, super suddenly disappeared from most stores. It was a casualty of the anti-alcohol campaign, as black marketers began buying it all up in order to make hoodlum liquor.

Difficulties: In short, Gorbachev's political and economic reforms are taking place under difficult conditions. The present situation is not ideal by any means. Budget deficits now exist not only in such nations as Canada and the United States, but in our country, as well. Our agricultural production for the year has ended in a bad way. Rifts between our various ethnic groups have become strained: a conflict between two republics, Armenia and Azerbaijan, has turned into mass slaughter. The leadership of Estonia's Popular Front disagreed with Gorbachev's plans to change the constitution, and on Nov. 16, a majority of the republic's Supreme Soviet expressed that point of view. Their decision to declare the Russian republic "non-recognized" came into conflict with the constitution. Gorbachev's restrained cool and forbearance have been tested. This is another of his achievements.

But really, some ask, what is going on? In fact, it is nothing unusual. It is just that, under Gorbachev, our people are now better informed. These years have been an crucial years: for the first time, the success of perestroika (economic reform) is now threatened.

Democracy: It is easy to imagine how Stalin would have behaved if he were in Gorbachev's shoes. Estonia said its people would have become victims of bloody repression. People with different ideas from his own would have been destroyed with the help of the governmental

machine at his disposal, including the People's Commissariat of Internal Affairs, which has become the KGB. Gorbachev would likely have sent tanks into Estonia, and all leaders of the Popular Front would have been taken to mental hospitals. But not a single line about any of that would have appeared in the newspapers.

The tragedy of Russia lies in the fact that traditions of democracy have not received their

to put on a crown, it would not have been seen as anything cruel.

That is why two of the most pessimistic questions are these: Is Russia ready for perestroika? Is Russia ready for Gorbachev?

People have been persecuted for decades that 100-per-cent unity of values and opinions is the greatest achievement of mankind. No one would be surprised that this was a difficult state of mind. Centuries of slavery trained people to a patience which knows no limits. And suddenly, Gorbachev begins to speak about "placidness of opinions."

Problems: Stalin turned socialism into religion. People believed in him. Now, since Gorbachev's plans have been laid for real, people of



Farmers in the Ukraine. Russia's tragedy is that democracy has not developed over the years.

acquired development over the years. Instead, there have been centuries of crimes: the Mongolian yoke, Stalin's bloody regime, the clampdown on freedom under Brezhnev. We have had considerable democracy for only a few periods: the first to four years immediately following the Great October Revolution of 1917; about five years after the 28th party congress of 1955 under Khrushchev; and the three years of Gorbachev's perestroika.

The majority of people do not know what democracy means. Many are afraid of it because they see it as a source of disharmony and anarchy. People had become used to a monarchy in our country. If Stalin had decided

an older generation had saved themselves at a loss. There is no more belief for them.

Problems have been arising for the past three years. It is likely we will have more of them in the near future. We should not be afraid. When a young democracy faces problems, it should be given more democracy. At the same time, I think that perestroika is an affirmation of universal democratic principles.

Some people matter into their hands that perestroika and glasnost are just words. But if we recall the Bible—"In the beginning was the word"—we should not forget that a word can also be a deed. Especially when the words are glasnost and perestroika.

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COVER

MORE NEWS IS FIT TO PRINT

THE PRESS IS SUDDENLY FREER

Splashed across three pages of the *Moskovskoye Novosti*, the articles provided a vivid example why devoted readers often line up for three hours to buy a copy of the Moscow-based journal. Since better ethics rating emerged earlier this year in the Soviet republics of Armenia and Azerbaijan, at least 60 people have died and more than 100 have been injured. Despite that, few Soviet newspapers have offered graphic coverage of the conflict. But last week, *Moskovskoye Novosti* printed photographs and stories that gave a thorough account of the situation. One article described furious public reaction at the appearance of troops, saying, "The crowd began to throw stones at the soldiers, and someone fired a high-caliber shot." In the ensuing chaos the article said, three soldiers died. With such unvarnished reporting, a new breed of Soviet journalist frequently surprises and occasionally shocks the country's tens of millions of regular magazine and newspaper readers.

For years, Soviet journalism was characterized by turgid prose and state-ordered support

for Kremlin policies. Now, in a new era of a free press—all but certainly not free—press, the most daring practitioners are *Moskovskoye Novosti*—which is also translated into English, French, German, Greek, Italian and Arabic—and *Gazetka*, a slick weekly general-interest magazine. Both regularly carry controversial articles ranging from blistering criticisms of leadership, the state's court system, to accounts of mafia activities connected with the rule of former leader Boris Yeltsin. The official government newspaper, *Izvestia*, also occasionally places itself on the cutting edge of current events. *Moskovskoye Novosti*, however, will become the first legal-constitution Soviet daily to carry advertisements.

Dramatic Soviet readers are also getting into the act, writing unprecedented numbers of letters to the editor on a variety of previously forbidden subjects. That is a dramatic change from the past, when many newspapers filed their letters pages with correspondence written by journalists, who persuaded friends to sign

Moscowites reading newspapers in Kuzovskiy Prospekt, cutting edge

their names. *Soviet Novosti* Solovetskiy, a director of *Moskovskoye Novosti*. "The journalists have more time, and so have the readers." At the same time, the Kremlin has cleared the way for foreign radio stations to reach Soviet citizens via the newwaves. Last week, the Soviets stopped jamming the Russian-language broadcast by American-financed Radio Liberty, as well as broadcast by a West German-led *as* Israeli station.

Fighting: Still, there are frequent reminders that some news is not yet considered fit to print in the Soviet Union. No other newspaper has come close to matching *Moskovskoye Novosti's* coverage of the fighting between Armenians and Azerbaijanis. Previously, many Soviet journalists criticized *Pravda*, the huge daily that is the official Communist party newspaper, for diagnosing past traditions. And at least newspapers and magazines, critical analysis of the Soviet leadership is virtually unknown, contrary description of the personal lives of public figures.

In addition, sporadic by Gorbachev, such as his address to the Supreme Soviet last week, are invariably reported the following day at all major daily newspapers with precisely the same text, page design, photograph and headline. Important news items concerning protests against the government are sometimes not reported at all or they are discussed in several paragraphs that appear under cryptic headlines on the back pages of newspapers.

One recent story by the official 1936 news agency describing how police broke up a nationalist group meeting in Vilnius, Lithuania, was headlined "A meeting was not held in Vilnius." Earlier this year, Alexander Borisov, a

JOURNALISTS AND READERS HAVE COME ALIVE UNDER THE NEW REFORMS

promising journalist, complained that "liberal-dispatches" for discussion by journalists include "the crimes against the Communist government and [the actions of] our friends abroad."

Some journalists say that, despite the advent of glasnost, they are less free to communicate their views to foreigners than in their own country. In fact, the most frequently leveled complaint about *Medvedev's Novosti* is that its Russian-language circulation of 350,000 copies is far too limited. Said Viktor Loshak, the director of the newspaper's social and economic affairs section, "What we have in army news is glasnost for export, while it does not fully exist at home."

Breakdown: By comparison with their Western counterparts, Soviet journalists work under difficult conditions. The average Soviet journalist earns a monthly salary of less than 250 rubles, or about \$500. *Novosti* is the only major Soviet publication where journalists work on computers and video display terminals, which are now used by most Western newspapers and magazines for writing and editing. In the desktop publishing that became *Medvedev's Novosti* in Pushkin Square in downtown Moscow, the electronic writing is so sophisticated that when the first electronic typewriter was plugged in several years ago, it covered all the lights on the floor to flicker. These technical problems, as well as apodictic equipment, frequently result in breakdowns that delay the appearance of newspapers.

Journalists also face handicaps in tracking for information. The Soviet Union does not have telephone directories or street guides, and government officials acknowledge that most city maps have been done with deliberate misstatements to obscure the location of such classified sites as KGB headquarters in downtown Moscow. Moreover, the government's elaborate system of bureaucracy often makes seemingly routine tasks—such as the number of traffic accidents annually in Moscow—difficult to obtain. "You lose very quickly in taking nothing for granted," said one *Novosti* journalist, "and to build on to every piece of information you get."

Despite these formidable obstacles, many

observers maintain that the best of contemporary Soviet journalism easily matches its Western equivalent. Said one Western diplomat, "There is a thing and unpredictability now that often makes Soviet newspapers more interesting than Western ones." *Novosti's* Artyom Korotich, a 25-year-old Soviet army veteran, was one of the first journalists to report on the problems of Soviet troops in Afghanistan. Beginning in 1985, Korotich has



Korotich (right) at *Novosti's* office, emerging new hires

written frequently and sensitively of the soldiers' loss, disillusionment and despair while fighting for a cause that many of them did not even understand.

"Soviet Union Kheops," a reporter with *Medvedev's Novosti*, has become known among colleagues as "the terror of Britain" because of her stories detailing the state travel agency's reluctance to divulge visitors and one-sided restrictions against and the poor condition of many of its hotels. Other reporters at the newspaper have recently gone detailed, firsthand descriptions of Moscow's black market and the efforts of co-operative restaurant owners to fight underworld activities. Said Kheops: "As our readers come to realize we are willing to take on this kind of story, they become

more willing to offer help and information."

In fact, Soviet readers display a passionate interest in their country's press. *Novosti*, with a circulation of seven million, and *Pravda*, the nation's largest, with 10 million copies sold daily, are among the largest newspapers in the world. *Novosti*, which prints 1.7 million copies weekly, sells out within two hours of reaching newsstands. Many readers show their interest by writing letters to the editor. At *Novosti*, 70 employees sort through an average of 1,500 letters received every day, three times as many as five years ago. By law, Soviet newspapers must respond to all letters and supply readers surveys of their mail to the Communist Party Central Committee—in violation that the government regards the letters as an important barometer of public opinion.

Even in the era of glasnost, the distinctions between government and the media can sometimes become blurred. All of the newspapers and periodicals in the Soviet Union are operated by the government, and the editor-in-chief is appointed by the Central Committee. As a result of that, editors are expected to reflect the policies of the government in their publications. And many newspapers and magazine editors were delegates at the Communist party's 19th party conference last summer.

Because of that link with government, Soviet officials and other citizens sometimes react negatively to the critical new face of Soviet journalism. Vitaly Karavich, editor-in-chief of *Novosti*, was dismissed by some delegates at the Communist party conference after his newspaper alleged that several party members in the republic of Uzbekistan had previously accepted bribes to return the Soviet Union.

Sharp: And Viktor Yakovlev, editor of *Medvedev's Novosti*, recently published a sharply critical letter written to him by Anna Belychinskaya, a professor and retired army veteran. Belychinskaya: "Your newspaper works not for socialism and our well-being, but for our foreign enemies."

Said reporter Kheops: "People like Yakovlev and Karavich are heroes. They face great pressure and opposition but they have the courage to let their reporters pursue the facts."

That sentiment reflects the attitude of many new-hired journalists, who vigorously reject suggestions that their investigative work is damaging to the Soviet Union. "I want to see this country keep growing," said Belychinskaya. "The freedom to tell the truth is one way to pressure that improvement." But, he added, "None of us can afford to forget how easily that freedom could again disappear." For Soviet journalists and their readers, that is one of the most critical truths of all.

ANTHONY WILSON-BREWER is in Moscow

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THE NEW FACE OF RUSSIA

MOSLEMS ARE GROWING IN NUMBER

The typical Soviet woman needs an eight-hour shift at a regular job, then up for one hour for food and lives in a cramped, confused flat. There, according to a portrait compiled from official government statistics, she spends three hours cooking and cleaning for a husband who seldom helps. But beleaguered Soviet women appear to be striking back with what may be their most powerful weapon: their fertility. Despite programs that reward a high birthrate with cash bonuses and better housing, so-called "three-babes" awards on millions of 50 or more children, Soviet Russian citizens are having only an average of 1.8 children per family. That, demographers say, is not even enough to replenish their present numbers. As a result, despite the boomie birthrate of the country's ethnically Muslim Central Asians—who average more than five children per family—the Soviet Union has been saddled with a severe and significant manpower shortage.

Shortages: Spread across the largest nation in the world—strapping one-sixth of the Earth's land mass—the 288 million people of the Soviet Union are simply not numerous enough to fully staff the nation's industrial, agricultural and military sectors. The shortages put up the importance of demography, Soviet leader Mikhail Gorbachev's plan of economic reform, which is designed to improve productivity—*even without more workers*—through harder work and more effective organization. At the same time, the low birthrate among ethnic Russians has led to a stark demographic fact of current trends continue, Russians—residents of the nation's governing core who now make up almost 55 per cent of its population—will be a minority by the year 2000.

In fact, the varying birthrates among the more than 100 ethnic groups in the Soviet Union are literally changing the face of the nation. While Ukrainians are the next largest group after the Russians, by far the fastest-growing population is in Central Asia, which includes the republics of Uzbekistan, Turkmenistan, Tadzhikistan and Kirghizia. At only 18 per cent of the current Soviet population, the Central Asians account for 40 per cent of its growth—and some surveys indicate that almost 50 per cent of men there actually claim they want at least 27 children. "We cannot say to these people that they should not have more children," said Vladimir Kozlov, a senior

official with Gosplan, the government planning agency. "Command methods do not work. And while Central Asians could theoretically help solve the nation's manpower problem, they have been reluctant to risk their strong ties to their home regions and migrate to the industrial areas in the north.

Purge: The ram of the manpower shortage go back several generations to the severe losses the country suffered during its political purges, famines and, most significantly, the Second World War, when more than 20 million people were killed. "The territories where the birthrate is lowest," said Kozlov, "are the areas where the effects of the Second World War are felt the most."

A recent Soviet demographic study put the country's population losses—including the matter of children who died literally from hunger—down to those who died in previous catastrophes—*as much as 100 million*, or more than one-third of the country's current population. Further aggravating the manpower shortage is the early death rate of Soviet men, whose life expectancy is between 68 and 74 years—a fact that demographers blame largely on alcoholism. By contrast, Soviet women live an average of 10 years longer.

Drop: Those factors, along with the low birthrate in some portions of the population, have resulted in a dramatic drop in manpower. According to Mstislav Fedotkin, a demographer at Moscow's Gossplan University, the number of new workers will drop to only 680,000 from 1,800,000 in 1980 to an annual increase of more than 2.5 million from 2075 to 1995.

The squeeze is particularly evident in the military, which, at present, the London-based International Institute for Strategic Studies estimates the size of the Soviet armed forces at five million in active duty, 6.2 million who have served in the past five years, on the reserves, and an additional 370,000 in the GDR and



the GDR, the country's internal police troops.

But, given the declining manpower pool, maintaining those numbers will plainly be difficult in a country where mandatory military service is already a fact of life. "It is not a matter of wishing where they current soldiers live," said one Moscow-based Western diplomat. "The available cadre is just do not exist."

As a result, Western military analysts predict that the Soviets will propose a mutual East-West reduction of military forces at the conventional arms talks in Vienna early next year. In fact, the Soviet press, which generally reflects official government policy, has recently

published several articles discussing the reduction of both the size of the nation's armed forces and the terms of service for draftees.

Preside, the official newspaper of the Central Committee, quoted an exchange between Gorbachev and a student at a recent rally of the Young Communist League. Asked why the Soviet military needs to be so large, Gorbachev responded that the Soviet Union could not defend the army unilaterally. But he added, "Together with other states, we shall take the path of reducing armaments and weapons." Letters

and articles in other Soviet publications have called for a more solid sense of military service in order to free badly needed manpower for the labor market.

Demand: But along with the quantity of recruits, the Soviets are also concerned about their composition. Officers in the Soviet military have traditionally reflected the dominant ethnic Russian makeup of their government. But in recent years, the number of conscripts from Central Asia and the southwestern Caucasus—the region that includes Georgia, Armenia and Azerbaijan—has grown to 35 per cent, up from 27 per cent eight years ago. That diversity is causing increased tensions at the ranks. And a Moscow-based diplomat. "Concepts are arising for duty unable to speak Russian and not prepared educationally to handle the increasingly complex weapons and equipment." As a result, the diplomat added, the army officers "cannot have the combat readiness they used to have."

Issues: In the civilian sector, the manpower shortage is most evident in the Russian and Ukrainian republics among skilled laborers. Ironically, however, the shortage could actually strengthen Soviet leader Mikhail Gorbachev's push for *perestroika* Soviet and Western economists agree that getting the country's laborers to work harder and improve production methods could pose at least a partial solution to the demographic problem.

Said the government planning agency's Kozlov: "The reason we have a shortage on the labor market is the same reason we have a shortage of raw materials and energy—it is an inefficient economy." With that efficiency in mind, Gorbachev has set a goal to reach 16

million workers by the year 2000 to new jobs in high-tech and service industries that the Soviet Union currently lacks.

Incentive: But convincing the workers to higher productivity is a monumental task in itself. In an effort to provide incentives for labor to work more efficiently, Gorbachev, the Soviet leader, has raised wages dramatically—but to little real effect.

The current Soviet marketplace is riddled with shortages. Kremlin leaders, at their November budget, called for two-thirds of the state's expenditures to be channeled into research, the standard of living, by improving the quality and supply of consumer goods. High-quality products are still in short supply and are found mainly at special stores that accept only foreign currency or on the black market.

If *perestroika* proves successful in creating free-lance workers outside military, Kozlov claims that the nation's declining labor market will be in free-fall. It could actually "be very desirable to do," he says. An aging workforce could retire, Kozlov explains, preventing the massive losses that plagued Western countries when they replaced workers with technology.

But such a scenario seems decidedly distant. At present, government planners are only beginning that the best solution to the manpower problem begins at home—in trying to encourage women to have more babies. With 83 per cent of working age Soviet women now employed—comprising 51 per cent of the total workforce—the government is now implementing goal increases to more than three years. The Kremlin also is providing more money for maternity and postnatal care and offering preferential housing to single mothers.

Rebirth: So far, those efforts have failed to attract birthrates among ethnic Russians. With generous contraceptive choices, Russian women have achieved their low fertility rate primarily through abortion. Government figures show that while 5.5 million children were born last year in the Soviet Union, there were 7.7 million abortions. And, noted Kozlov, "When are only the reproductive shortage? Academics estimate that there may have been another seven million or more abortions performed outside of hospitals. Officials also say that out of every six first abortions results in sterility—exacerbating future population problems. The upshot seems to be that, at least in the short run, the state cannot count on the fruitfulness of Mother Russia.

DIANE BENDERMAN in Moscow



LOOKING FOR CONSENSUS

It's promised to be a critical meeting for the future of world trade. More than 1,000 delegates from 90 countries are gathering in Montreal this week for a midyear review of negotiations under the Uruguay round of the General Agreement on Tariffs and Trade (GATT). The Uruguay round began two years ago and is scheduled for completion in 1990. But the Montreal meeting comes at a delicate phase. Because of pressing newswires, including the Canada-U.S. Free Trade Agreement (FTA), the talks could be a breather through to further new co-operation between GATT negotiators—or they could close the door on global liberalization.

Several senior Canadian trade officials told Maclean's last week that the negotiations are currently stalled on three key issues: agriculture, services and intellectual property. The officials say that the 60 trade ministers and another 1,000 officials expected to attend the Montreal meeting at the Point St Charles in Montevideo will break the stalemate, or the entire round may collapse. Said Sylvia Ostry, Canada's ambassador for intellectual trade negotiations: "It is essential that there be sufficient drive and political momentum to ensure that, in the first two years of the round, there is progress on the three strategic issues."

Although the Uruguay round of negotiations is the eighth since the GATT was founded after the Second World War—it has reached a critical crossroads, Canadian trade officials and other experts observe say that the problems were anticipated from the outset. This round includes such traditional subjects as tariffs, non-tariff barriers, dispute settlement and natural resource products. But most observers say

THIS WEEK'S GATT MEETING IN MONTREAL IS CRITICAL TO THE FUTURE OF WORLD TRADE

that the inclusion of agriculture, services and intellectual property has made the negotiations much more complex than any previous round. Michael Hart, a Canadian trade negotiator now on a two-year leave of absence, said that these GATT negotiations are becoming known as "the deep into national economic life and sovereignty."

Canadian trade officials say that Montreal was avoided the end of the round after the GATT administrators turned down a request from the Canadian government to host the meeting in Uruguay that launched the entire round of current negotiations. The purpose of the GATT is to liberalize trade around the world through the removal of tariffs and non-tariff barriers. Canada and the United States will remain members of the multilateral GATT even though they have negotiated the bilateral FTA, which goes beyond the GATT in several ways. In one case, it calls for binding dispute settlement and prohibits the use of export subsidies on agricultural commodities. Canadian trade negotiators contend that the FTA will not be perceived as duplicating the GATT, but that it will certainly provide a moral

boost to the negotiations that are still to come.

Most experts say that the trade ministers are unlikely to reach any binding agreements on the key issues at the Montreal meeting. But the ministers must demonstrate that their governments are committed to trade liberalization and prepared to make concessions in order to reach a new agreement. Canadian ambassador Ostry said that the negotiations are stalled on "interministerial policy issues that require political input, and that is what the Montreal meeting is all about."

Some economists and businessmen say that without progress at Montreal, pessimism about the effectiveness of the GATT will grow. In Toronto last week, several speakers at a conference sponsored by the Ottawa-based Institute for Research in Public Policy predicted that if the negotiations fail, the international trading system will be further shaken by the erosion of new barriers.

Although most observers acknowledge the importance of the Montreal talks, they say that they are also acutely aware of the difficulties they face. Ostry said that negotiators were a single-minded issue in previous rounds. This time, one of the major objectives of the negotiations is to develop a set of GATT rules for agriculture, she said. Terms proposed from Canada, the United States and Europe were scheduled to hold a rally in downtown Montreal on Monday and Tuesday to the Prime Minister's Office, a B.C. critic producer and president of the Canadian Federation of Agriculture, and that the farm groups will present the trade ministers with a document called the Montreal Agricultural



Harvesting wheat in Manitoba: a new urgency over agricultural subsidies

Declaration. Included in the document was a call for "immediate action to end the chaos in international agricultural markets which has resulted in the distortion of trade."

The central task facing the GATT negotiators is to develop a basic consensus and framework for reducing trade subsidies, which are now costing grain-exporting nations \$220 billion annually, according to some estimates. Difficult at the federal department of agriculture say that Canadian grain and oilseed growers earned \$4.6 billion in 1987 from the sale of their crops, down from a yearly average of \$6.5 billion between 1981 and 1984. That decrease was largely due to depressed world wheat prices caused by a subsidy war between the European Community (EC) and the United States.

Now the EC and the United States are deeply divided over the approach that should be taken to agricultural reform. The United States actually put forward the so-called zero 2000 alternative, which called for the total elimination of all trade-distorting farm subsidies and import restrictions by GATT members no later than the turn of the century. According to one Canadian trade negotiator who requested anonymity, the United States has since revised the deadline, but is sticking to the long-term goal of removing subsidies.

In response, the EC has agreed to freeze subsidies at current levels, or to accept short-term cuts. But the European will not set a specific long-term goal and, without a clear

alternative to the American proposal, the negotiations will be deadlocked, said the Canadian official. As a compromise, the 13-member Cairns Group, which is based after the American city where its first meeting was held in 1986, and which includes such diverse grain exporters as Canada, Colombia, Australia and Indonesia has proposed 30-per-cent cuts in trade-distorting subsidies in 1989 and 1990 while the members proceed to negotiate long-term objectives.

The Uruguay round represents the first attempt to negotiate a multilateral trade agreement on services, ranging from financial services and consulting engineering to architecture and insurance. The FTA sets an extraordinary precedent by liberalizing trade in services and allowing for free movement across the Canada-U.S. border for workers ranging from advertising executives to freelance writers. A senior Canadian official said that up until July 1988, the GATT discussion on services resembled setting rules for a game in which the participating countries presented research papers rather than genuine bargaining proposals.

Such then, the negotiators have been attempting to reach a consensus on the concepts that might be included in a treaty on services and the Canadian trade official. He added that the developed countries want a national transition clause to ensure that exporting countries receive the same advantages as domestic firms in the importing country. The developed

OPEC SLOWS THE FLOW

Oil members of the Organization of Petroleum Exporting Countries—excluding Iraq and Iraq—agreed to slash overall total production by four million barrels a day in an effort to raise the price per barrel to \$21.38 from about \$16.63.

SUBSIDIES FOR TEXACO

Oil industry sources said last week that several holders are interested in acquiring Texaco Canada Inc. Robert Hart, chief executive officer of Calgary-based Husky Oil Ltd., said earlier this year that Hart is considering the purchase of the Canadian firm. He offered last week by Australian brewing and insurance companies. Alan Road has been damaged by industry studies on industry is expected.

CANPAC A BAIT-SHEDDING

Robert Campbell agreed to sell the Air Taylor woman's clothing store chain, a division of Cunniff-based Allied Stores Corp., for \$511 million to a consortium

THE DOLLAR, BANK RATE CLIMBS

The Canadian dollar soared to a seven-year high of 84.32 cents in London earlier this week as a result of a Canadian interest rate hike. A central bank rate increase followed on Thursday, when the Bank of Canada increased its target selling rate to 11.01 per cent from 10.64 per cent.

CHRYSLER LAUNCHES

Chrysler Canada Ltd. announced that it will lay off about 530 workers at its Ajax, Ont., plant over the first half of next year. A company spokesman said that the layoffs are necessary because of the slowing of a Chrysler plant in Windsor. The spokesman denied that the layoffs were related to the Free Trade Agreement.

TELEXING FOR DOLLARS

Canada National said its 30-per-cent stake in Cofin Telecomunicaciones is its partner in the company, CFI Ltd., for \$250 million. Last January, Cofin-owned CFI, trying to reduce its \$2.3-billion debt to \$2 billion, said it held them to its railway line for \$250 million.

A BROWNFEE FOR SALE SIGN

Faced with stronger competition from stock brokerage firms purchased by large Canadian financial institutions, Richardson Greenfield of Canada Inc. (Richardson Greenfield) said it recognizes that its family is considering "a new form of new acquisition" for its 65-year-old firm. Why not?—the firm's sale is widely predicted.



Trade ambassador Ostry: the need for political will

countries are also pushing for a so-called transparency clause, which would compel governments to publish their rules and regulations covering services.

The official said that some less-developed countries have protested vigorously because they do not discuss all the rules—even to their own citizens. He added that if a consensus can be reached on basic issues, the participants could then begin to negotiate the professions and occupations that would be covered by an agreement on services. Said Ostry: "There must be enough similarities in services that there will be a consensus move toward trade liberalization."

Although the GATT members agreed at the start of the round to negotiate services for the first time, intellectual property emerged as a major issue only after the negotiations began. Intellectual property is a term applied to innovations in such fields as computer software and pharmaceutical drugs. Without an international agreement to protect ownership rights, such innovations can easily be duplicated by competitors in other countries.

Ostry said that a group of American, European and Japanese multinational corporations had lobbied GATT members for rules that will protect their ownership of intellectual property. The issue has become vitally important in the multinationals because of the technological revolution in computer communications, biotechnology and new materials for consumer and industrial products. Said Ostry: "The ability to induce innovation depends on capturing the financial returns on that innovation, which is the heart of the issue."

For GATT members, a major conflict has developed over their role on intellectual property. Ostry said that less-developed countries have argued against the inclusion of patents and copyright standards in GATT negotiations because they want to ensure that they have access to such new technology. The developed countries, including Canada, insist that uniform international standards must be negotiated.

If the issue is left unresolved, both developed and developing countries stand to lose, said Ostry. Excessively stringent patent and copyright laws could deny less-developed nations access to technological innovation. At the same time, multinationals will be reluctant to invest in Third World countries unless there are adequate laws and international trade rules to protect their ownership of advanced technology.

Although GATT negotiators are dealing with a broad range of issues, there are two underlying problems. Ostry said that the negotiators are trying to bring previously neglected sectors, including agriculture, into the GATT. They must also come to grips with such expanding economic activities as services and critical problems arising from the ownership of intellectual property. But before the negotiators can make any progress on these issues, they will need discussion and support from the trade members who gather in Montreal.

FARCY JENSEN

Anger on wheels

There is a new debate over insurance costs

Life promises never to be the same for Ontario's 160 automobile insurance companies. Just four months ago, the Ontario Automobile Insurance Board—the regulatory agency that the provincial government created in February to set auto-

rates for Ontario's 5.7 million drivers

The impact threatens to be long-lasting. In response to mounting public pressure against escalating rates, the Ontario government has limited increases to 9.2 per cent since April, 1987. Governed insurance board chairman



Ontario car accident rising costs and threats to abandon the market

mobile insurance rates at levels that are in the best interests of consumers—clamped the industry's cranks, which date back to the 1950s, of age, sex and marital status for determining premiums. Then, two weeks ago, the board ruled that Ontario's insurers would only be allowed to earn a 15.5-per-cent return on shareholders' equity during 1988—rather than the 22-per-cent return that many companies said they needed to make a profit. And now, members of the insurance industry say that they are about to lose even more of their autonomy. This week pension consultant William A. Mercer Ltd. is scheduled to file a report with the provincial insurance board. Following a series of public hearings, the report will likely be used as the basis for setting benchmark premium

John Krings has insured the companies that he will permit rate increases again in 1989. But industry spokesmen insist that companies operating in the province pay far more in claims than they take in with premiums. And they add that the firms and pension increases in the 20-per-cent range. Otherwise, car insurers say that they might have to abandon the Ontario market.

But the board also must consider consumers' demands for lower premiums—and the political interests of the majority Liberal government. Indeed, the Ontario dispute is just one of the latter political battles being fought across Canada and the United States as angry consumers revolt against skyrocketing automobile insurance. Howard Posing's New Democratic Party was driven from office in Manitoba last

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April after a proposed major auto insurance premium increase. And provincial governments with privately run insurance plans are closely watching Ontario. Said George Poiras, New Brunswick's deputy superintendent of insurance under the Liberal government of Premier Frank McKenna: "I imagine that wherever Ontario does, we will do immediately."

In the United States, the fight is centered in California. During the recent election, residents voted in Proposition 103 to cut all automobile premiums by 30 per cent at the state, with another 30 per cent off for drivers with good safety records. And the California result could spread. Consumer groups and legislators from 30 states have already contacted the author of Proposition 103, Harvey Rosenfield, a Santa Monica lawyer. Rosenfield led a group of concerned California researchers known as "Water Resists" who were angered by what they perceived as the influence of the insurance industry in the state's legislature. The group was instrumental in the passage of Proposition 103.

But American insurers have fought back with ease, because challenging the constitutionality of Proposition 103. And several companies are threatening to pull out of the auto insurance industry altogether. In all, officials in the California insurance industry estimate that the proposal will cost them \$4.6 billion a last premium. Said Rosenfield: "We are confident the courts will not permit themselves to be used as a shield to protect the insurance industry's profits at the expense of the pocketbooks of the voters of California."

Many Canadian consumers have expressed outrage similar to the result in California. According to Statistics Canada, the average cost of insuring a car—public and private—but increased by 77.4 per cent from June, 1981, to October, 1988. But in some cities, motorists have seen their insurance costs grow far more dramatically. According to the Ontario Insurance Board, a principal auto driver over the age of 21 in Toronto with three years' driving experience and without any accident claims paid a minimum of \$1,737 in 1987, compared with \$634 in 1983. And a typical 18-year-old male Toronto driver had to pay a minimum of \$4,745 in 1987 compared with \$1,996 six years ago. For their part, the companies say that accident claims and settlements have been rising, even faster.

It is significant that the consumer backlash has even spread to Manitoba, where car insurance rates are government-controlled and premiums, which are less than half of Ontario's 1987 average auto premium of \$688, remain among the lowest in North America. The Manitoba Public Insurance Corp. sparked public ruffles, discomfited and premiums throughout the province by announcing last winter that it planned to increase rates by 34 per cent on March 1, 1989—even though they had only increased by nine per cent since 1985. The new government quickly lowered the increase to 18 per cent and launched a one-month inquiry into the auto insurance system.



Kruger, levels that are not excessive

that ended up costing \$600,000 and reviewing that Manitoba adopt a total no-fault insurance system, under which there are prescribed benefits for any accident situation. But the rate hikes were so controversial that political observers cited them as one of the key

reasons the Thrush government lost the election.

Last week, the provincial insurance corporation announced that it will be seeking an average rate increase of only 2.5 per cent for 1989. If the Manitoba Public Insurance Board approves the proposed rates, about half of the province's 340,000 drivers would not have an increase. Said Walter Bardeen, the insurance corporation's newly appointed president: "The events of the past year have made the corporation more sensitive to the needs of Manitobans."

Still, Ontario is the main battleground in the growing national debate over insurance costs. After the cost of insurance rose by 40 per cent in just two years, the Liberal government reacted to public complaints and capped premium rates in April, 1987. The government also began a comprehensive plan to ensure greater control of the auto insurance industry. During the provincial 1987's unsuccessful 1987 election campaign, that party even threatened to create a government-run car insurance corporation similar to those in Saskatchewan, Manitoba and British Columbia. However, the government watchdog, Ontario Automobile Board has been the industry's toughest opponent. Insurers strongly protested the board's new criteria for premium rate classification, which include such factors as annual driving distance, driver experience and accident history, although they ignore age, sex and marital status.

But insurance company officials are evidently even more apprehensive about the board's

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one move. The latest round of hearings is designed to set premiums for particular classifications of drivers at a level that will allow companies to meet the target return of 12.5 per cent for 1989. Insurance companies are allowed to spend if they feel that the new rates are too low. Even so, the industry is already making dire predictions that some companies will be forced out of the industry if the new rates are inadequate. The reason: most of them say that they are losing money selling insurance in Ontario because of rising accident claims. Overall, they say that in 1987 they paid out \$3.42 billion more in claims and settling expenses than the \$3.2 billion they took in as premiums.

Ontario's largest car insurer, Co-operative General Insurance Co., has already stopped issuing new auto insurance policies to new customers in Metropolitan Toronto because it says that the firm has been paying out almost \$1.66 in claims for every \$1 in premiums taken in. And other companies are reducing the number of independent brokers they deal with, while others are telling their brokers to lend into business until they can write more property and commercial policies. Sam Jonas Hill, president of Riverwood Mutual Insurance Co. of Kitchener, Ont., "We are exactly beating the bushes for more auto business in Toronto."

But the insurance board says that it will not yield to pressure from insurance companies or consumers' groups. Chairman Kruger says that the board is glad to set premium levels that will not be too onerous for consumers—but that will still be high enough to stop companies from bailing out of the automobile insurance business. Added Kruger: "We will live to love the wisdom of Solon."

The activities and demands of the board's most members—appointed by Ontario Premier David Peterson—will be watched closely by regulators in other provinces. Drivers in Alberta and the Atlantic provinces have not experienced drastic rate jumps in recent years, but officials in those provinces say that standards established in Ontario tend to set the pattern for the rest of the country. For their part, British Columbia industry-watchers also have expressed little interest in the Ontario developments. Last May, the Insurance Bureau of Canada began an extensive—and expensive—lobbying effort to persuade B.C. insurance agents that they would be better off without the 16-year-old guaranteed issue plan. But a private poll showed that 93 per cent of provincial agents were against returning to private automobile insurance because under the government system, they just have to renew premiums instead of going out and looking for commission. Like many Canadians, it shows, even some agents are not convinced that the companies can do a better job on their own.

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The cookie crumbles

Nabisco insiders lose a high-stakes gamble

For Ron Johnson, the Whiting-Peters chief executive officer of RJR Nabisco Inc., it was the ultimate gamble: as a center of controversial takeover. By offering \$18.7 billion for RJR, Johnson has managed to win and Wall Street investors appeared to have clashed control of the American tobacco

Even an analyst says that Kohlberg, whose offer must still be approved by RJR shareholders, spent far too much for RJR. And there is also concern that by paying nearly \$20 billion for RJR—a price equal to more than the combined annual gross domestic production of Canada's four Atlantic provinces—Kohlberg

contributor of well-known food and cigarette operations, made it an ideal buy-out candidate. Its largest mistake may have been its assumption that the board members would support him. But they may have cooled when they realized that for their \$24-million investment, Johnson and his fellow RJR managers would receive as a 50-percent stake in the company, a holding worth \$244 million. And the board would have more to do than \$1.1 billion if the suit had proceeded as Johnson had hoped. The decision, one of whom anonymously termed Johnson "a ruler from the inside," felt obliged to open up the matter.

The takeover battle was resolved in apparent conclusion on Tuesday, Nov. 29, when Johnson's team, Kohlberg and First Boston Corp. all submitted final bids of more than \$11.2 a share. A day later, Kohlberg claimed victory. Johnson issued a terse statement. "I am proud of the fact that we put the best bid on the table the first time and this time."

The victory will not have long to save their apparent success. The \$1.1 billion acquisition will leave the quadruple Kohlberg's existing debt of \$5.6 billion to nearly \$20 billion. Paying \$2.8 billion a year in interest on the debt, it will have to quickly start selling assets. There are no signs of any plan to sell assets. But John Alexander, consumer goods analyst at New York City brokerage house Angus Research Corp., "My feeling is that Kohlberg should come out pretty well on this."

But losing a new experience for Johnson. After stints at Canadian General Electric Co. Ltd. and the T. Eaton Co., he became president of Standard Products Ltd. of Canada and, in 1976, chairman of Standard's American parent—but only after an acrimonious leadership struggle. Since he became chief executive of RJR six years later, he has continued his flamboyant style—shuffling divisions, transferring managers and employees and paying \$12.4 million on private, the so-called "junkie" cigarette. But he agrees will reverse the decline in North American tobacco use. Paul Desautels, chairman of Montreal-based Power Corp. of Canada, says a personal friend, described Johnson as "someone who doesn't waste any time making up his mind." Outside the office, Johnson, also a friend of Prime Minister Brian Mulroney, maintains the same daring pace, juggling across the continent, entertaining families and maintaining with sports activities including tennis, hockey, star Bobby Orr and lawyer Alan Eagleson.

Johnson may have lost more than a company. Observers say that he will likely lose his position at Nabisco if the deal goes through. But he and the defunct RJR management group will not leave without a reward. According to documents filed with the Securities and Exchange Commission, RJR's top 20 corporate officers are eligible for up to \$62 million in severance payments when control changes. But they may not compensate by having lost the largest corporate prize in history.

JOHN DE MOORE with DAVID LANDSBURY in New York City



RJR Nabisco bakery (top) Johnson (bottom) is a steering force toward the war

and food giant. Then last week, a stunning turnaround took place in the highest-value takeover battle in history. An RJR board of directors unanimously accepted New York City investment bank Kohlberg Kravis Roberts & Co. as a rival bid for the 19th-century tobacco company at the United States—event though Kohlberg's offer was \$20 million lower. And some critics say that Johnson's ultimate style

has opened a new frontier in the world of corporate takeovers. Leveraged buy-out speculators such as Kohlberg make huge profits by borrowing heavily to buy control of companies. They then sell off the target company's assets to pay for the debt and at the same time, realize new profits. With the suit of RJR, analysts say that other well-known companies could also become buy-out victims.

The top chairman first announced his own leveraged buy-out plan at a dinner at the Wooten Hotel in Atlanta on the night before a board meeting in October. At the time, the former accountant argued that he was only acquiring the inevitable. The high yields available from leveraged buy-outs were attracting vast amounts of investment capital and forcing investment bankers to look for ever-larger targets. Johnson said that RJR, with its



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WHO COULD ASK FOR ANYTHING MORE.



Quebec's new wave of hero worship

BY PETER C. NEWMAN

Brian Maloney's Quebec empire is being discounted as the enforcement of a nation state, but equally important was his appeal to the province's changing patterns of hero worship. The bids-up and stories of the old rural Quebec were superseded at the peroxide of the pecking order by the deputy mayors and intellectuals of the trendy metropolitan days. In their turn, French Canada's business entrepreneurs, busy restructuring the domestic economy and prepared for nothing short of taking on the whole wide world, have now become widely embraced as the much-admired role models to be lauded and copied.

Typical of the breed is Bertin Nadeau, chairman and chief executive officer of Unisys Inc., a Montreal management company whose assets have jumped to \$300 million from \$15 million in the past half-decade. He is tied in closely with the Caisse de Dépôt et placement du Québec (which invests most of the province's pension funds), is a director of Lemercier General Insurance, a member company of Clusac Cosmetics's growth group, and also serves on the boards of the National Bank, the first Group (International Airlines) and L'Espresso Corp. (emment). Nadeau's own board brings together such Quebec business establishment luminaries as Guy Desrochers (Gifford, Leclerc), Pierre Dumas (SABCO), Jean-François Hude (Chateau Inc.), Louis Jasse (Glebec Food), Gérard Labrecq (The Labrecq Group Inc.), Pierre Lortie (Pérols) as well as Pierre Sevrès, CEO of Compagnie Régie de participation Publique, which is part of Unisys's main European partner.

Nadeau, who was active as the eleventh-hour ally of 150 Quebec chief executive officers at Montreal's Rite-Carillon (Rite) in support of a take-over, speaks often with passion about the new business ethic. "We're at the right place at the right time," he told me. "The province's value system, especially in the past seven years, has become very professional. The goal of the separated movement may have been

French Canada's solidly entrenched role models have become the business entrepreneurs who are now ready to take on the world

lost, but it achieved at least one thing: it delivered us from our inferiority complex and gave us the self-confidence to affirm ourselves. Being in business has become very fulfilling as a profession because we feel supported by our society's predominant value system. There are more university students studying business here, for example, than anywhere else in Canada—60 per cent of the total business school enrolment."

Nadeau continues: "We support free trade so strongly because we feel more during. You no longer have the portrait of your grandfather looking down at you from the wall and as you're ready to break new ground and make new alliances, I have to support free trade because if you feel restricted you don't have to enter any effort. When you have to compete in the American market, you have to be good. That's the kind of stimulation we expect."

Nadeau's company De holds a 60-per-cent voting interest, which last year enjoyed a 26-per-cent earnings increase, while 36 per cent of the equity is owned by Prolog Inc., the large industrial complex that will have a turnover of close to \$7 billion this year. Together with the Sobey

brothers of St-Jérôme, N.S., he controls the market, earning nearly 20 per cent a year on his equity. Unisys's other main asset is Bonheur Foods. It is Quebec's largest producer of coffee and, in addition, Canada's largest industrial catering organization. Bonheur recently stresses 30,000 offices across the country and a busy buffet soft drinks and managing meeting facilities.

Young Bertin, one of seven children born to a St-François-de-Madawaska, N.B., farmer who later started a small furniture factory, enrolled at the University of Montreal's business school and had to earn his tuition by selling umbrellas to guesthouse attendees. A scholarship propelled him to attending his doctorate in business administration at the University of Indiana. Later, back in Montreal, he spent seven years as a professor at l'École des hautes études commerciales, as his spare time obtaining control of Casseco Frères, a world-famous St-Hyacinthe, Que.-based pipe organ manufacturer, which he still owns.

Nadeau, however, interested in Unisys, from a small insurance company, in the late 1970s, spinning off its base business for a \$10-million exit fee, which he then used to acquire his first food companies. His basic management philosophy, shaped by these early acquisitions, has never changed: to get good managers in place and let them run their operations with maximum interference and to concentrate on specific companies rather than any particular sector. "We're really conservative guys," he told me. "We're no big artists and are much more interested in stable balance sheets than start-up or commercial situations. We look at ourselves in profit-based shareholders, providing capital and providing management, but not trying to run things—and never worrying about strictly short-term results."

Although Nadeau is operating on a much smaller scale, his approach takes him into the technology generated by Japan's megacorporates, or colossus. Those groups dating back from the Meiji Restoration in the mid-to-late 19th century, now include Hitachi, Mitsubishi and Sumitomo. And Nadeau. "They chased the growth of change in coherent direction and provided for effective capital structure," he added. "Although the economic value of conglomerates is under question in North America, everywhere seems to worship everything Japanese—and we think we are like a true Asian."

Nadeau holds the interesting theory that this is really the third wave of Quebec entrepreneurs, the first having come with the turn of the century and being extinguished by the Great Depression, the second in the late 1950s, which led to live up to its expectations because its participants were still locked into traditional values. The current wave is the third wave and of the Quebec government's crash underwritten by its resources management and education reforms. And Nadeau concluded: "High hopes are riding on this wave of Quebec entrepreneurs. But a serious solid enough to stay the course. We're perfectly bilingual. We can play the capitalist game. We can—and will—make money."

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BOOKS

The pension debate

Arguing that the system is on the brink

WHOSE MINDY IS IT ANYWAY?
 THE SHUTDOWN ON PENSIONS
 By Ann Finkbeiner
 (Ferguson, 270 pages, \$26.95)

Like most Canadians, author Ann Finkbeiner initially found the subject of pensions about as exciting as watching paint dry. Among the things that changed her mind was a highly publicized 1986-1987 court case in which Decemco Stores Ltd. employees tried to block an attempt by founder Conrad Black and his controlling company, Ralstonco Inc., to withdraw nearly \$60 million in surplus assets from the company pension fund without informing the staff. The case resulted in a compromise whereby Black's company—whose application to remove the funds was approved by the Pension Commission of Ontario (PCO)—was awarded \$30 million. As Finkbeiner, a former Montreal's staff writer, says in *Whose Mindy Is It Anyway?*, almost overnight, pensions became a "sexy issue."

For the author, the Decemco case was just the tip of the iceberg. How Canada's pension system got to the brink of chaos, and what can be done to avoid it, are questions she addresses with a patient mix of rigorous indignation and perceptive analysis. Finkbeiner, 45, writes that her own pension request resulted in irritating delays from her employer, Markette Hunter Ltd., which publishes *Maclean's*, and from the PCO. Companies typically withhold such information, she says. The author goes on to argue that Canada's pension system does not adequately compensate women and part-time employees. She adds that it runs the risk of bankruptcy as the baby-boom falls and the elderly population grows. But, for the author, the problems run much deeper. Like Decemco, many companies have legally withdrawn millions of dollars from their employee pension funds. And Finkbeiner contends that governments have leached so heavily from the Canada Pension Plan's investment fund that the only way governments can retrieve the money is to raise taxes.

Companies originally introduced employee pensions more than a century ago to defuse labor unrest and encourage early retirement. Only later did they reluctantly subscribe to the now commonly held belief that a pension is not a paternalistic gift from an employer but a deferred wage. The federal government launched its first retirement scheme in 1927, and amendments in 1966 yielded the Canadian and Quebec pension plans.

According to Finkbeiner, inflation is "the



Finkbeiner's indignation and analysis

great nemesis" of both public and private pension plans, and inflation—being pensions is inflation—is the necessary mechanism for their salvation. Most public-sector employees enjoy such protection, but fewer than 40 per cent of their private-sector counterparts have any pension at all. And while the private sector has been slow to increase its own pension coverage, it has, writes the author, actively opposed the expansion of public plans, claiming that business cannot afford the costs. As for Canada's pension industry, which manages and invests billions in employee pensions, it now confronts creditors on a scale rivaling that of banks and insurance companies. Yet, by citing with employers on such matters as inflation, says Finkbeiner, its interests are frequently opposed to those of employees.

Many Canadians, bitterly contrasting to pension plans may well face a rude shock as retiring. But the author holds out the outcome hope that reform, which politicians have been dithering for more than a decade, can repair the country's widely uneven pension coverage. Among her suggestions: that the practice of surplus withdrawals be stopped, that plans be jointly managed by members and their employers, and that governments initiate new ways to deal with inflation. Despite her sometimes stridently polemical heavy-handedness, Finkbeiner's tour of Canada's pension landscape offers readers an eye-opening ride—and a sobering view of what may lie ahead on the horizon.

MORDEN BILLS

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Against all odds

New biographies explain Thatcher's appeal



Thatcher, no middle ground in her philosophy or in attitudes toward her

Next May, Margaret Thatcher will celebrate 10 years as prime minister of Britain. Not since 1927, when the Bad of Liverpool ended 16 years of losing the election, has anyone held that office for so long without a break—a remarkable achievement in itself. But Thatcher owes her political stature to much more than longevity. As British journalist Peter Jenkins and Kenneth Harris make clear in two new but very different studies, she has carved out her conservative revolution through a combination of luck, skill and what the English call sheer bloody-mindedness. Jenkins's *Mrs Thatcher's Revolution: The Making of the Thatcher Era* (Harvard, \$22.75) and Harris's *Thatcher* (Little, Brown, \$22.95) show that there is very little middle ground with the indomitable leader—either as her political philosophy or in attitudes toward her. As Jenkins writes, "No one since Winston Churchill between the wars has aroused such strong passions as Thatcher."

Thatcher, as a person, however, is curiously absent from Jenkins's thoughtful account of how British politics have been transformed in the past decade. The author, a columnist with *The Independent* and one of Britain's most respected political observers, does not favor the biographical approach to history—once when dealing with an unsuccessful character as Thatcher. He disposes of her early life and

career in just half a dozen pages and deals heavily at all with what a devotee as prime minister has meant to Thatcher herself. In short, he gets out to skatole the underlying issues at play—how Britain did and declined after the Second World War and how Thatcher's Conservatives are constructing a new political order among the ruins.

In using a wider focus, Jenkins still manages to shed considerable light on his subject. He writes that, unlike the Labour and Conservative prime ministers who preceded her, Thatcher was too young to be deeply scarred by the mass unemployment of the 1930s. Instead, she came of age in an era of wartime shortages and postwar socialist austerity—drawing of greater freedom and choice. The experience helped to shape her into what Jenkins calls "the last anti-socialist": the first European leader of her generation to not simply slow the beloved drift of society but to reverse its direction altogether.

Mrs. Thatcher's *Revolution* is not an easy read. Jenkins, who sits readers into the complexities of British politics, overflows through thicket of statistics and defines the meanings of storytelling by jumping back and forth with little apparent concern for chronology. But those who persist will be amply rewarded. The author succeeds at the difficult task of telling a contemporary story without becoming

trapped by the rhetoric of the participants. He puts the Thatcher phenomenon in the broader context of Britain's century-long decline as an industrial power, pointing out that the Victorians were already badly shaking the same as the late 19th century. And he is careful to avoid leaving too much credit at home on Thatcher—at any time when writing about so dominant a personality faded, he notes that away of the potshots that are now regarded as key elements of what is widely referred to as "Thatcherism" were begun, for better or for worse, under earlier governments.

Jenkins's otherwise wryly account is studded with sharp, witty sketches of Britain's leading political figures. Of Michael Foot, the elderly Labour Party leader whom Thatcher crushed at Britain's 1983 general election, he writes, "Foot appeared to the country as the wildest post." Jenkins also compares Thatcher's career to that of Tony Benn, the highborn Labour politician who dropped both his inherited title and his aristocratic milieu (once he was born Ben. Anthony Wedgwood Benn) as he moved further to the left. By 1975, Jenkins writes, Thatcher and Benn were in a mass political tussle—age on the radical right, the other on the radical left. And at that time, he acknowledges, "I would have given the future to Tony Benn." Jenkins could not have been more wrong. Benn is now a marginal figure, insignificant within the Labour Party. But the author's past misjudgment is a telling measure of the extent to which the socialists deal thus gripped British public life.

Kenneth Harris, an associate editor of the *Guardian*, takes a more conventional biographical approach as *Thatcher* the book he believes is on several lengthy ascriptions that he has associated with Thatcher over the years—especially a 1979 session in which she talked about her approach in words that have been quoted ever since as the best capsule description of Thatcherism. "It's not a consensus politician or a pragmatic politician," she told Harris just a few weeks before she became prime minister. "It's a conviction politician. It's my job to put forward what I believe and try to get people to agree with me."

Harris does not have the range or depth of Jenkins, but the two authors offer several important conclusions. Both agree that Thatcherism is more than the sum total of the economic policies that have become associated with it, such as restricting union power, privatizing government-owned industries and increasing house ownership. It has an important but also overlooked aspect—even religious—dimension. Jenkins quotes Thatcher as saying in 1981: "Economics are the method, the object is to change the heart and soul." And both writers maintain that the key to Thatcherism is politics, not. Previous Tory governments talked about reversing the socialist slide and restoring British traditions in the name. Only Margaret Thatcher had both the determination to take the job and the stubbornness to see it through against what at times looked like overwhelming odds.

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PEOPLE

Anything for a laugh

The recently released **Priscilla Presley** seems an unlikely candidate to wrap herself in a giant condom for laughs. But for her movie debut as the just-released police comedy *The Naked Gun*, the former wife of the late Elvis Presley does roll up in a plastic protective sheath to make a funny stab at safe sex with co-star Leslie Nielsen. Up to



Presley: unlikely condom candidate

now, the 43-year-old Hollywood, Calif.-based actress has been best known for playing the classy Jeanie Miller for five years on the TV series *Melrose Place*. Presley also characterized herself as the quiet version of her selfish superstar husband, whom she divorced at 27, in her 1985 memoir, *Elvis and Me*. She plays Presley of her first wacky role. "My life has been a drama—it was such a release to be somebody else but myself."

Dispelling a Hollywood myth

Although she has been typecast for years as the happy girl next door who marries comic-book heroes, actress **Debbie Reynolds** says that her movie image is just another Hollywood myth. In her post-released autobiog-

raphy, the 54-year-old star writes that her own life story was like "a scene from a bad movie," and that her first husband, singer **Eddie Fisher**, was one of the villains. In *Public: My Life*, Reynolds recalls her public humiliation in 1959 when Fisher, in the company of her then

Reynolds: humiliated



A humble winner

Teenage Fan Mastroratti says that winning a major award over four seasons is not something. The Toronto native, who plays Lucy on the CBC series *Dragonauts: Junior High*, last week won a Gemini Award from the Canadian TV industry for best actor in a series over such other performers as *South of Heaven*'s **Night Mustard** and *Whisper* **Robert of Adair**. Said Mastroratti, 16: "The other actors are great—I hope they aren't mad at me for winning."

Mastroratti: 'other actors are great'

A READER'S GUIDE TO OPTIMISM

British author **Douglas Adams** says that he began writing about likeable characters confronted with extraordinary situations to cheer himself up. **Adams**, 34, adds that he shook off a "terrible depression" by writing his first book, the 1979 fantasy *The Hitchhiker's Guide to the Galaxy*. His newly released book, *The Long Dark Run-Down of the Book*, features an engaging narrative who pursues his investigations into where worlds. Says Adams: "I had the most appalling events at hand, but he tends to survive very nicely."

Fear of failure

Actress **Margot Kidder** says that she was a "nerd" after she applied for admission to Toronto's Canadian Center for Advanced Film Studies. Having spent more time normally as a political activist, she is no actress, the star of the *Superman* movies says she now wants to focus on her film career, but as a director. The *Yellowknife* native said that until last week's acceptance to the nine-month program, she was terrified she had botched several lengthy admission interviews. Added Kidder, 46: "I was more nervous than I have ever been in my lifetime."



Kidder: reticent as a director

husband, **Elisabeth Taylor**, demanded a divorce. She adds that while Fisher robbed her of dignity, her second husband, businessman **Barry Kroll**, stole her wealth—a total of more than \$10 million. Writes the actress, who is now married to real estate developer **Richard Haskins**: "I don't trust life in general."



Welsh nationalists

Stepping up the brutal fight for independence

During the past two decades, London's Metropolitan Police have become engrossed in dealing with sporadic and deadly attacks by Irish terrorists. But last week, they were grappling with a new threat from an unlikely source. In the early hours of Nov. 26, crude fire bombs were thrust through mail slots at six mail estate offices in north-east London. Two of the bombs caused damage, and one almost gutted a four-storey brick building in the city's exclusive Mayfair district. The next day, an unshowered man called a newspaper office in Wales and said that the bombings were the work of a Welsh nationalist group. He also issued an ominous warning: "More attacks will follow unless the English leave Wales."

The firebombing represented the first time that a tiny but determined band of militant Welsh nationalists called *Mabwys Gwynedd*, or Sons of Gwynedd, has taken its ever-popular arson campaign against English domination of Wales to the heart of the British capital. Compared with the bloody civil war in Northern Ireland—which has claimed more than 2,700 lives in 18 years—the threat posed by Welsh extremists is little more than a nuisance. No one has been killed or seriously injured since Welsh nationalists began demonstrating in the early 1950s. But police expanded plans at the bombings, and many Welsh politicians insist that the arson campaign is a warning signal of a deeper problem: English families are flooding into Wales, buying comparatively cheap homes and businesses—and undermining the ancient but fragile Welsh language and culture. Said Dafydd Iwan, a member of Parliament from an area called Porth Cemaes, or Port of Wales: "We have a mixture of frustration and deprivation that could be very, very dangerous."

Since the arson campaign began, 144 English-owned homes and businesses in Wales have been torched. Many of the houses burned were weekend outposts, and most of the fires occurred during the winter when their owners had suddenly left them empty. In recent months, English-owned stores in North Wales

have also been attacked, and real estate offices along the Welsh-English border that speculate in selling Welsh properties to English buyers have been firebombed. A total of 29 people have been convicted of arson since 1979, but none has admitted membership in the Sons of Gwynedd. And police trying to identify the



Roomed-out interior of a Mayfair real estate agency: a mixture of frustration and deprivation

group's members have met a wall of silence in the tightly knit Welsh-speaking communities of North Wales.

The militants take their name from a Welsh prince who led his people's last major resistance against the English. The Welsh—*o Cymro* people, whose language is related to Cornish, Breton and Gaelic—were first conquered by the English in the 13th century. Between 1400 and 1480, Owain Glynedd raised a rebellion against Henry IV's armies. He expelled the English from most of Wales, but his forces were eventually crushed, and Wales was firmly reunited with England. For many Welsh nationalists, Glynedd's legacy has doomed struggle remains an inspiring example.

Still, the group that adopted his name is a tiny organization that police estimate has no more than a dozen members. Most nationalists have denounced its tactics. Leaders of the left-wing Party of Wales, which polled 7.3 per cent of the vote in Wales and won three of its

38 seats in Parliament in Britain's 1987 general election, say that it opposes any use of violence to underline Welsh demands. But others claim that the decline in the use of Welsh is so serious that any action is justified.

Rev. R. S. Thomas, a retired Church of England minister who is regarded as one of Wales's leading poets—despite the fact that he writes only in English—raised controversy earlier this year when he praised the anarchists for having the courage to stand up for Welsh values. Responding to fears that extremist activities could cause deaths, Thomas added, "What is one death against the death of the whole Welsh nation?"

Nationalists' most particular concern over the shaky decline in the numbers of Welsh people who can speak the language. As recently as 1900, about half the country's population spoke Welsh, but now only a fifth of the 2.6

million people of Wales can speak it. In northern and western parts of Wales, however, that figure rises as high as 80 per cent. In towns with such names as Porthcawl, Llanabryddus and Cerrigyddion, the language must commonly be used in the shops and jobs it was English, but Welsh.

Both government measures and increased popular interest have played a part in slowing the decline of the language during the past two decades. In 1967, Britain passed a law giving Welsh and English equal legal status in the region. It was the first time that professional students being taught in bilingual institutions has almost doubled since 1970, while the number in secondary schools has increased five times since then. Despite those gains, the pattern of Britain's economic revival during the 1980s posed new threats. The economy of North Wales revived stagnated, with unemployment hovering around 14 per cent, while much of southern England boomed. As a result,

Coming Soon.



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house prices around London soared—and rarely rich English people snapped up cheap property in Wales. This produced a flood of newcomers to picturesque North Wales—and resentment from locals who saw themselves priced out of their own market. "You can sell a little row house in London for \$400,000, come to Wales and practically buy up a whole village," said Dyfed Edwards, chairman of a campaign called "Wales is not for sale," organized by the 3,000-member Welsh Language Society. "Places that were solely Welsh-speaking are turning into English villages."

Although Edwards says that his group rejects violence, its members have used civil disobedience to discover the role of property to English buyers. On a recent Sunday afternoon in the seaside town of Aberystwyth, Edwards and about 50 supporters marched under the wary eyes of a dozen policemen to a civil estate office, where they dumped leaflets and signs that they had taken from homes.

Edwards and a companion later charged of burglary after someone broke into a real estate agency that specializes in selling in the English market and tore up files—and then called the police to come and arrest them. They are trying to persuade local authorities to buy houses that come up for sale and earmark them for local residents. "At least the housing here focused attention on the issue," said Edwards. "All politicians are concerned now."

Politicians have also expressed concern that publicity surrounding the action campaign might discourage tourism and new investment. Parts of South Wales, whose traditional economy was devastated when coal mines closed in the early 1980s, are experiencing a boom as Japanese and American companies invest billions of dollars in high-technology plants. Wales, which has just five per cent of Britain's population, has attracted fully 30 per cent of all foreign investment in the country in the last five years. Japanese firms, including Sony, Aves and Matsushita, have built electronics factories there and, in October, the Ford Motor Co. announced plans for a \$1.5-billion engine plant in the town of Bridgend. Indeed, Japan's economic influence in South Wales is now so strong that the University of Cardiff intends to open a Centre for Japanese Studies next year.

But government officials responsible for promoting investment in the area say that foreign businessmen increasingly talk about the five towns. "There may not be any real laws for converts, but people get so many of us now from what they read in the papers—and then doesn't help," said one official. Others say that the government must act on the housing problem to prevent the action campaigns from spreading. Sir Peter of Winton's reply: "The danger is that people will go outside the legal channels. That is what happened in Northern Ireland—and God help us if we start to go down that road." However anxious that possibility, English police were not ignoring the threat that further Welsh nationalist violence may be in store.

ANDREW PHILLIPS in Aberystwyth



As clear-proper training in English is vital for career advancement in Japan

EDUCATION

A foreign invasion

Japanese students improve a city's economy

On Friday evenings in downtown Nelson, B.C., dozens of young Japanese men and women cruise the main street in shiny new cars—a symbol of a recent boost to a sagging economy. The city of 8,200 was devastated by the recession of the early 1980s. Nelson's only annual closed in 1984, while the B.C. telephone company laid off 100 employees and CP Rail relocated its division headquarters to Revelstoke. At the same time, the province's Royal Credit provincial closed down David Thompson University Centre. But now, as the result of a joint Japanese-Canadian venture, the campus at back in Nelson. Reopened the Canadian International College (CIC), the school opened its doors in April 19 in 278 Japanese students who will pay \$27,000 over two years to acquire the degree of Bachelor in English that most Japanese businessmen now consider essential.

The CIC also stands as a dramatic embodiment of the city's refusal to let the campus remain empty. After the government closed the school, Nelson Mayor Gerald Ratterford persuaded city council in 1986 to buy it from the province for \$1. But local businessmen were able to convince Ratterford. "We were of the successful Cherry Institute of English Language in Japan to open a school in Nelson. Tissue joined the Canadians, who held a 40-year lease on the 10-acre campus, and together they spent \$1 million into renovations. Now the students, who range in age from

about 18 to 32, are taking courses in English, international business and environmental studies in the first of a two-year cultural immersion program. In the second year, they will be transferred to another college, scheduled to open in North Vancouver in April 1989. Annual fees cover travel costs, tuition, room and board, and recreational activities.

The students say that they hope their studies will pay off at home. Tokyo placement Yuko Shimomura, 24, who is studying conversational English and computer science at the CIC, says her improved skills will probably mean a better-paid job in a bigger hospital. Indeed, Vancouver-born Charles Tully, the English program director at the International Education Centre in Tokyo, considers that training in English has become vital for advancement in the competitive Japanese work force. "Said Tully: "Now companies say, 'We have someone who can deal with customers.'"

Merchants in Nelson have already felt the benefits of the influx of affluent young consumers, and 50 new full-time jobs have been created. A few newspapers say that they would like to see a university return to Nelson. But the majority of the city's residents welcome the new school, which is expected to inject as much as \$5 million annually into the local economy—boosting new life into the hard-hit community.

NORA UNDERWOOD with LESLIE NGUYEN in Vancouver and GEOFF ELLING in Tokyo



Day of decision

The CFL's problem is American football

BY TRENT FRAYNE

The Canadian Football League, jumping for months and months for a little bit of action, suddenly found itself shivering in front-page ink last week. First came a wild and woolly Grey Cup game, which picked every argument needed for an Ed West collaboration except a team

not anxious to have him as a partner. Between Toronto, Ballard was also distancing to move his Tiger-Cats out of Hamilton, assailing with the city fathers over rents at the city-owned Iroquois Stadium.

The knock against the smooth-talking Orest, cleaned and thinned in Toronto newspapers, is that he is interested not so much in the Argonauts and the CFL as in acquiring the team's lease on Toronto's new



Orest: no ulterior motive in purchasing the ancient Toronto Argos franchise

from the East Bay Wasego Blue Bombers who play in the CFL's eastern division, kept the Toronto Argonauts in the Grey Cup scrum, earning the right to play the western champion B.C. Lions in the big game. Then, in the wake of a 28-21 thriller won by the Bombers came the stunning reports that Harry Orest, a gentleman sports entrepreneur from Edmonton via Beverly Hills, Calif., had laid down \$5 million for 95 per cent of the debt-ridden Argos and needed only the approval of five of the other seven CFL teams to complete the deal.

That could come on Dec. 12, when the league's governors meet in Toronto to vote. Will he get approval? Not if the celebrated group Harold Ballard has his way. "I have anything to do with it, he won't get it," welcomed the 85-year-old owner of the Hamilton Tiger-Cats and the Toronto Maple Leafs. "He wouldn't be a good partner. He's never been known to put a dollar away. The other owners will do what the hell they like, but I'm

SkyDome stadium, due to open next autumn. If the CFL were to go belly up, Orest would be in position to live the excited National Football League to the bone.

Ball, apart from outshining Ballard, other CFL people either approved gruffly that a freshly

married owner was in just to succeed his unsuccessful predecessor, Carling O'Keefe Breweries of Canada Ltd., or were taking a wait-and-see stance until the Dec. 12 meeting. "I think Orest's purchase is a positive move," Orest's through-ham president Ray Richards said. "Obviously, the people at Carling O'Keefe have lost interest in sport." Said Joe Gal, the B.C. Lions' general manager: "It gives the league more credibility. Harry Orest is a good businessman."

Ballard: 'We won't get it'



Edmonton Eskimos president Rick LeLachez had few misgivings. "I think it's positive," he said. "I really believe you can operate a viable CFL franchise in Toronto. But I'm going to sit back and see what happens."

For his part, Orest, who owned the National Hockey League's St. Louis Blues from 1983 to 1984, kept insisting that he had no ulterior motive in buying the ancient Toronto franchise. "I believe the CFL is on the upswing," he told a news conference last week. "I didn't buy the team unthinkingly. When you combine the city of Toronto with the SkyDome and the Argos, it isn't bad at all. I think what's going on in the CFL today is evidence of its healthy. The information coverage is good, the game itself is good, and there have been two great Grey Cup games in a row." And he wasn't all that upset over the Ballard outburst. "Harold was on the phone to Ralph Sosa," Orest said, referring to the Argonauts president. "He told Ralph, 'I never met it. They suggested me. We want Harry. We need him.'"

Meanwhile, awaiting word Monday's day of decision, Canadian fans turned south for further football fixes. There, the NFL wends its way toward next month's Super Bowl, the annual rite that sports tales of hard-fought affronts in the Roman Colosseum. And while the fans are seeing there, football executives beyond the continent of Toronto, including Wasego's Dr. Ross Brown, are turning their attention to next year in the CFL.

Dr. Ross Brown is smaller than the St. Boniface General Hospital, where he is a senior administrator, but at five feet, 6 1/2 inches, not smaller by much. Accordingly, when this current president of the Grey Cup champion Blue Bombers talks, people tend not to interrupt. "You got a 6-3 football game in the NFL, and people watching on television in Canada shake their heads and say, 'Wow, what a great performance battle.' You got a 6-3 game in the CFL, and these same people say, 'What a lousy game.' It's this attitude we're working on," Brown, a Wasego native, in back home after 11 years as a full professor at the University of Oklahoma's Health Sciences Center. He was exposed to national affairs as the Oklahoma Sooners, one of the power teams in U.S. college football.

"What you have to recognize is any attempt to sell Canadian football," said Brown, "in that it is not a pure copy of American football, that it really is not the same game at all."

William Lane of Bloomington, Minn., came south one time and we sat in on a game where 73,000 people were caught up in their own frenzy. He's not a football fan, but in the excitement around us grow, he found himself on his feet, and he cried out to me, 'Isn't this the greatest thing?'

"Yes, sir," Brown went on, "in the States, football is a full day's action. There are the tailgate parties where the stadium is filled with the smell of barbecued steaks and thousands of fans, peo-



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ple with recreational schedules are packed and having a beer with the people around them. The game is only part of a long ritual. Literally, they go home tired but happy. By contrast, the Canadians get to the park 15 minutes before the game and then, even during an exciting game, hundreds and hundreds of us rush off with 10 minutes to go to beat the traffic. We're the fastest country for leaving the traffic! So, it's up to us to tell our unique game to our fans. If they want to leave early, that's up to them, but we're at least going to get them into the park. And the way we can do that, I think, is to emphasize the local of game we have."

The kind of game Canada has is not the precise, controlled brand of the pro, where excitement is generated at least in part by crowd uncertainty and, on another level, by the enormous skill of the American pro. Canadian games have been hurt in recent years by a sort of big-league complex among some fans who vilify the CFL to major-league status. John Bennett, a fanly, outspoken former owner of a piece of the Toronto Argonauts, noted that factor last week when he blamed Bennett's purchase to intervene a suite on the Toronto "Rightly or wrongly," he said, "people consider the CFL minor league. They have major-league baseball and major-league hockey." That holds true for the big centers, the Expos and the Blue Jays in Montreal and Toronto, and now the Oilers, the Flames, the Jets and the Canucks in Edmonton, Calgary, Winnipeg and Vancouver, cities that are the backbone of the CFL.

But Ottawa Judge Gary Schreiber, a former Ottawa Rough Riders backfielder, endorsed the Dr. Ross Brown disclaimer that the CFL is a different game, not major or minor anything, but unique. The trouble is, this point is a secret to a lot of people. "Reference happens here first," Schreiber said. "Today's papers want the best and they never brought up winning the NFL on television. I know our game and I think it's got more action. But the kids who grew up not being able to see CFL games undoubtedly perceive it as being inferior."

Other students of the game cite other obstacles for attendance decline. "A generation ago, players came north, played ball, got jobs and settled here in every CFL city," Kelly said. "Think of the players—Kane Lancia-

se, Bernie Faloney, Sam Buchanan, Jackie Parker, Dave Thelin, Dick Shatts, Angelo Mosca, Kerry Ploer, I could go on and on—and all of them household names. It used to be that after five years, they were designated as Canadians, not imports. Now, with that rule abandoned, half the guys are up here for a game or two and then gone."

The retiring CFL commissioner, Doug Mitchell, echoes these points. This year's ago, he persuaded owners to vote blanket regulations. Now, he says, the league is "addressing" the competition factor again. Added Mitchell: "Last year, it's a survey of the number 1

operations and launched a private-station TV network CFL that projected \$350,000 in 1987 for such items and \$450,000 in 1988 and is likely to hit \$650,000 next season.

But that is still far away from the accounting department. Ultimately, the thing that will make or break the Canadian game is the product on the field and fans discovering again that it can be an eye-filling product. Often, when it is at its worst, it's at its best—a wild and crazy spectacle in which mistakes can almost always be avoided because, in the three-down game, the ball is endlessly changing hands. Until time runs out, there's always



The Lions and the Blue Bombers at the Grey Cup find emotions are wrong to their heart.

renewed desire was to enhance player identity. While looking at the old Canadianism rule as an excuse."

The former general manager of the Rough Riders, Ottawa lawyer John (Jole) Dunlop, calls the long slide of the CFL a matter of basic economics. "There's only so much revenue," he said, "so the teams have got to adapt to it. They weren't doing that. They were bringing in players in July, paying them huge salaries, and they were often gone in October—suddenly here they, there were no more to the clubs, and the teams were going even deeper into the hole. But now, with the \$2-million salary cap and the TV package exposing the picture is brightening." A year ago, Mitchell persuaded owners to impose a \$3-million limit on football

transfer deals, and as close games, including last week's marvellously bitter Grey Cup, fans' emotions are wrong to their heart.

Dwight Good, a respected sage at The National Sun, once wrote about a football guy who captured the essence of the Canadian game. "Big Sturff, a big, apple-brother from Chicago, played just three seasons for the Saskatchewan Roughriders and made the 1960 all-star team in the all-season of 1963. He died of leukemia in Chicago. The last thing he asked for before he died was that his body be returned to Regina and that he be buried there in his Roughriders green sweater. The Regina experience had meant that much to him." Maybe the owners will be thinking of things like that next Monday.

There's life after death for the CFL. MOVE

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LAST CHANCE!

AIDS in Russia

The authorities start to face up to AIDS

By the time she was 26, Olga Geyevskaya had spent more than a decade as a vibrant prostitute in her native Leningrad. Among her customers were relatively sophisticated visitors from African countries and wealthy businessmen from nearby Poland who paid higher rates in much-desired convertible foreign currency. Partly because of that, when Geyevskaya suddenly began losing weight and losing frequent clients earlier this year, she continued working. By August, she had lost more than 30 lb, and passed clients divided that she had previously lost in a month later; on Sept. 5, she died. According to the Soviet news agency TASS, Geyevskaya, four weeks pregnant at the time, died of AIDS—becoming the Soviet Union's first publicly acknowledged casualty from the disease.

In death, Geyevskaya achieved a new notoriety. Her picture was shown repeatedly in Leningrad newspapers and on television, ap-

compared by warnings that anyone who had contact with her should be tested by a doctor. Since then, Soviet government officials have repeatedly used her case to illustrate the need for tough new measures to identify suspected carriers of the AIDS virus. At the same time, authorities have begun to acknowledge that the problem of AIDS in the Soviet Union could reach the same dimensions it has in Western countries. And, they concede, one of the greatest dangers is widespread ignorance of the disease. Declared Alexander Sidorov, a deputy minister in the country's health protection ministry, "AIDS is the same and reality for our country as it is all over the world—except that we still



Geyevskaya: concerns about ignorance

have to persuade some people of that." Currently, the Soviet Union, with a population of 246 million, has fewer than 500 people declared as suffering from AIDS—or HIV, as it is known by its Russian acronym. In the United States, with a population of about 246 million, more than 64,500 people have already died of AIDS, while another 73,300 people are known to carry the virus. In Canada, 1,168 people have died of the disease and an estimated 2,118 carry the virus. For their part, Soviet health officials say that the number of men most diagnosed in the Soviet Union has tripled since the start of this year—and Western analysts speculate that the number of undiagnosed cases may be substantially higher. One Moscow-based diplomat stated that the first known case of AIDS in the Soviet Union was announced in March, 1987 (the date of that victim is not publicly known). Still, one arm of downtown Moscow frequented by prostitutes was known well before that by the diverse nickname "the gateway."

Until recently, Soviet authorities blamed foreigners for bringing the AIDS virus to their country and appeared to believe that strict controls on their activities were enough to protect Soviet citizens. Under regulations put into effect last year, foreigners



Moscow doctors testing blood serum for AIDS antibodies: needles have tripled

staying more than three weeks in the Soviet Union can be obliged to undergo an AIDS test, and Soviet officials say that more than 300 visitors have been expelled after registering as carriers of the virus. But they now concede that, regardless of the origin, the disease's dangers are widespread. Said Dr. Valen Pokrovsky, president of the Academy of

Medicine: "We are all sufferers now."

Soviet health officials have begun unprecedented measures to check the spread of the disease. They have opened 380 specialized clinics for confidential testing and say that more than 1,000 such centers will be opened by the end of 1989. Health ministry regulations require all blood donors to be examined and

registered, and six medical institutes have been transformed into specialized AIDS treatment and training centers for doctors.

But acute reports both inside and outside the Soviet Union cautioned that the country faces formidable internal obstacles in its anti-AIDS efforts. At present, homosexual acts are criminal offenses punishable by up to five years in prison. As a result, homosexuals, who are among the highest-risk AIDS group, are reluctant either to identify themselves publicly or to seek treatment. At the same time, condoms, which are effective in preventing sexual transmission of the virus, are of poor quality and in short supply. Health ministry officials say that the country produces 200 million condoms annually, about one-fifth the number needed. Officials also acknowledge that proper sanitary conditions are lacking in such areas as circulation of hypodermic needles, which are often blamed for the transmission of AIDS.

Faced with those dangers, the Soviet health ministry has begun an anti-smear publicity campaign under the slogan "Don't let journalists find you ignorant." But that was of little help to the country's second official AIDS facility. In October, the Ukrainian daily newspaper *Pravda* Ukraine announced that an unidentified four-month-old baby boy, whose mother "had contacts with nearly 20 partners," had died of the disease. For him, and an unknown number of others, knowledge and protection were patently little—and arrived fatally late.

ANTHONY WILSON-SMITH in Moscow



Give the Christmas spirit.

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Teasing the senses

New books delight the eye and the mind

The best gift books are like a hobby horse, but they're not to look at and a gift to be used. But long after the memory of a celebratory dinner has faded, good picture books continue to delight the eye and the mind. They may sit unopened on coffee tables but they can transport readers to worlds of wonder. This year's selection of exquisite books includes everything from close-up portraits of remote communities to wide-angle views of Earth from outer space. They tease the senses, thrill the imagination and, with notable frequency, sound a warning about environmental devastation. A sampler:

The Art of David Blackwood (McGraw-Hill Ryerson, \$30) is made for display on the coffee table. The first retrospective of etchings by Newfoundland-born Blackwood, 47, the scrupulous book contains 158 reproductions of his works from the past 25 years. They include many scenes of Newfoundland seafarers at work, a scene that first established him as a leading Canadian artist. Although the artist downplayed his education, there is an accompanying text by novelist and TV producer William Gough. Unfortunately, the colors in the book often fail to do justice to the original art.

Stark drawings of a different sort first brought Henry Moore to public attention. In 1918-1919, the artist, best known for his huge, plaster-filled sculptures, produced sketches of Londoners clinging to the city's subway system from the Blitz. The famous sketch works are included in **Henry Moore: Drawings** (Rizzoli, \$75) by British curator Ann Garbold. The book also features reproductions of about 300 other pieces, ranging from his early drawings as a 22-year-old art student to a 1983 sketch of the artist's own art-horned head, executed three years before his death.

Like Moore, Pablo Picasso continues to attract attention. Of the many photographers who paid court to Picasso, who died in 1973, none was more openly adoring than LIFE magazine's David Douglas Duncan. **Picasso and Jacqueline** (Pantheon, \$45), Duncan's fifth book on the master, chronicles the artist's final years with his last wife, Jacqueline. Beyond the handsome photographs show Picasso living as an exiled world of work and play. A more desperate reality emerges from **Late Picasso** (University of Washington Press, \$45), an indispensable catalogue of Picasso's work from 1963 to 1973. It is our unforgettable self-portrait, he states at an early point, "no—apparently at the prospect of death."

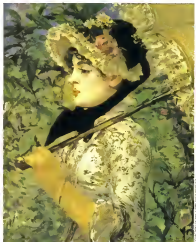
The professor Robert L. Herbert's *Impres-*

sionism, Art, Literature and Parisian Society (Yale, \$70) manages to bring a fresh view to well-trodden terrain. The author shows how the glittering social world of Second Empire Paris shaped the work of such painters as

Manet, Degas and Remy Borel's analyses of the paintings are subtle and persuasive, and the book is filled with reproductions not only of entire paintings but of fascinating details. Hope in the face of adversity is the keynote of Art of the South African Townships (Douglas & McIntyre, \$19.95). The book illustrates that, despite apartheid, black South Afri-

cans have produced a body of vibrant visual arts, in addition to theater and music of resistance. Gavin Young, a white South African arts journalist-lecturer, presents reproductions of a wide range of posters, paintings and sculptures. Tommy Motswane's cartoon-like painting, *The Tea Party* offers a grotesque view of a black maid serving tea to her white-saraffed white employer and his guests. But the most striking displays are photographs of the houses painted in the colorful style of the Ndebele tribe. They are the cultural expressions of a people who refuse to be beaten.

Art and literature come together beautifully in *Norve* (Olivestone Hall, \$130) by Michel Antonides. Between 1937 and 1960, a Greenwich art lover who called himself Terence put together 26 issues of *Norve*, a Paris-based



Manet's *Jeanne*: Spring from Impressionism, bringing a fresh view to an art

magazine published in both French and English. The book provides a fascinating account of Terence himself, as well as superb reproductions of works—many created for the magazine—by such artists as Picasso, Henri Matisse and Marc Chagall. The text also includes transcripts of poems written for *Norve* by Ernest Hemingway and José-Paul Sartre. The result is

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Other gift books transport arduous travelers to foreign lands. And one of the most appealing selections is *Italy: The Beautiful* (Cockbook Publishing, \$24.95). EC's first gift book is a handsome 128-page volume that costs just \$24.95. With its lush, full-page photos for each of the 200 towns and its highlighted images of rocky coastlines and its walled-in villages, it appeals as much to the culinary whims as to the eye. As Merlo, who travels throughout Italy to the remote locations, writes, "Beautiful Italy is a treasure—an army of beautiful people, wondrous foods that reflect the history, flavor and colors of the various regions of Italy."

Fish, grapes and exotic, *Ulysses: The Art of Photography* (National Geographic, \$24.95) is a gift book that should be a companion to an exhibit at the Corcoran Gallery in Washington, D.C., marking the centenary of the National Geographic Society. Its book contains 269 color and black-and-white photographs, half of them published for the first time. The book is a treasure trove of pictures, to some of the scenes



Exposure to Extraordinary Light

1997

OPENS DECEMBER 9TH

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against a shorebirds' ship where the Pierre Islands in the North Atlantic, while fishing boats sit in a case of calm water turned crimson by the blood of slaughtered whales.

The End of the Game (Knickerbocker, \$14.95) is a disturbing account of an African trophy-hunter's wilful destruction of an ecosystem. Author Peter Beard, an American who moved to Kenya in 1961, documents how, from the turn of the century to the present, East Africa's ecosystem has been ruined partly by the march of civilization. The book begins with the arrival of such early white settlers as writer James Bruce (author of *Lost in the Desert of Africa*) and big game hunters including U.S. President Theodore Roosevelt. Packed with black-and-white photographs capturing the accumulation of animals, it is one, a growing herd of animals, which is a motorcycle past two African elephants and their coveys.

In a long way from a Manhattan publishing office to an African campfire, but Bertie Bell, the 45-year-old former publisher of *The Village Voice*, has traveled it many times since his first African safari in 1959. In *Safari: Chronicle of Adventure* (Pantheon, \$20), Bell's experiences—he has not shot game since 1967—form only a modest chapter in his comprehensive, splendidly illustrated history of the African expeditions that began in 1938. His accounts range from the diaries of such early 19th-century white hunters as Frederick Courtenay Selous, whose speculative career was the basis for R. M. Kipling's *Just So Stories*, to conversations with Tanzania-based British hunter, one of the last remaining professors of white hunters.

A very different kind of adventure is revealed in *The Greenpeace Book of Antarctica* (Macmillan, \$20-\$25). According to author John May, when the British explorer Robert Scott reached the South Pole in January, 1912—just a month later when Norwegian Roald Amundsen did so—Scott desperately wrote, "This is an awful place and terrible enough for us to have believed it without the reward of prey." But the heavily illustrated volume shows that the continent's coastal ice cliffs and interior deserts have a majestic beauty. The authors warn that exploration and resource hunting could wreck its fragile environment.

Packed with great photographs, charts and diagrams, *The Reinforcement of Life* (Oxford, \$40-\$50), by British scientist Walter Tudor, depicts the record of earth's life as it is spread from—along with a wealth of accompanying information in the form of being threatened by human activities. The book provides intriguing scenarios into little-known areas of natural science, including the

methods of navigation employed by migratory birds—many use the stars to find their way across oceans. But Tudor warns that the human race's success at altering the environment could be its downfall.

Respect for Earth is also a dominant theme in *The River Hound* (Oxford, \$20-\$25), edited by Kevin W. Kelley. Published jointly in the United States and the Soviet

Union, *The River Hound* (Oxford, \$20-\$25) includes a words and pictures—the year in which the United States seemed to advance from natural adolescence to adulthood. The editor, veteran Canadian-born journalist Robert MacNeil, believes that 1963 was the "last before"—before the computer revolution, women's liberation and the Vietnam

War. The May 16 New York Times abruptly in November, 1963, when, MacNeil writes, an assassin's bullet brought the "first instantaneous of vulnerability" to a whole generation in Latin America. The *River Hound* (Oxford, \$20-\$25), written Philip Kuznetsov and Frank Slaughter chronicled John F. Kennedy's family and his rise to the White House. Lavishly illustrated with photographs culled from the pages of *Life* magazine, the book tells more about the new media's love affair with America's own rapid family than it does about Kennedy's complex and tragically short life. A more substantial offering is *The Kennedy Legacy: A Generation Later* (Pantheon, \$20-\$25), by novelist and essayist Wilfred Brund. Brund's text evaluates John F. Kennedy's career and the legacy of idealism that he bequeathed to his brother Robert.

Placing ourselves in between a walk on the wild side and a lighted stroll down memory lane is *The Sixties: A Decade in Vogue* (Stoddart, \$20-\$25). It is at once a superficial and shameless association of an era, concentrating on personalities rather than political and social issues. The photographs of reinvented models and brooding posing film stars are accompanied by a few stray excerpts from pieces by notable writers. Francis Fitzgerald provides a short personal account from Vietnam, and Gloria Steinem writes about the naked ball that Transocean Cruise in 1967 for \$40 of his closest friends.

The Vogue History of 20th Century Fashion (Pantheon, \$60) is one book that is as carefully edited as its jacket art, which features a glamorous woman casting a long shadow on a misty white background. Spanning the past 70 years, the volume features hundreds of black-and-white photographs from *Vogue* magazine. British costume historian Jane Mangan has produced detailed documentation of changing fashions and lifestyles. Her research has unearthed some strange moments in fashion history, including a Second World War-era British design for a "waterproof wide skirt" that was made every one. "Bumpiness and comprehensiveness" are words that Mangan uses to describe the style when it comes to gift books, style is everything. D



Islands were from Odysseus: the ultimate gift book.

Odysseus, the book is a spectacular collection of photographs of the planet taken by astronauts and cosmonauts from 18 nations. The clean, almost spare design of the book complements the phenomenal photos. And the text reveals how astronauts from many cultures are bound into a common humanity. Peter May's *Islands* (Oxford, \$20-\$25) is a book that is as carefully edited as its jacket art, which features a glamorous woman casting a long shadow on a misty white background. Spanning the past 70 years, the volume features hundreds of black-and-white photographs from *Vogue* magazine. British costume historian Jane Mangan has produced detailed documentation of changing fashions and lifestyles. Her research has unearthed some strange moments in fashion history, including a Second World War-era British design for a "waterproof wide skirt" that was made every one. "Bumpiness and comprehensiveness" are words that Mangan uses to describe the style when it comes to gift books, style is everything. D

In addition to taking readers on a journey through time, gift books can also take them time-traveling. This year, the 50th anniversary of the assassination of John F. Kennedy on Nov. 22, 1963, prompted a flood of new books about the charismatic 28th president of the



Reborn a cornedog with a heart of gold as upstaged by his surroundings.

FILMS

Father knows best

A son rediscovers his Cape Breton roots

SOMETHING ABOUT LOVE
Directed by Tim Barry

Hending links between fathers and sons has become a timeless obsession in Canadian cinema. In 1967's *On Zee* to see *Light Zee*, directed by Quebec's Jean-Claude Lauzon, an ex-convict from his father from a nursing home in the middle of the night. In director Gordon Finkel's *John and the Mavis*, released the same year, a stubborn Newfoundland quarrel with his son over a move to abandon the mining town where they live. Now *Something About Love*, a heterosexual drama filmed in Sydney, N.S., tells another father-son tale about a search for love, lust and the creeping sadness of the contemporary world. Like *John and the Mavis*, which captured the native virtue of Newfoundland, it is filmed on an Atlantic island with a resident identity—Cape Breton. It, too, relies on the spell of its local setting and is infused with the love for both father and son. Although it's actually slow and unevenly paced, *Something About Love* is redeemed by charm, nuance and wit.

The story revolves around Wally (Dillon Wodinsky), a television producer who grows

up in Sydney but has lived in Los Angeles for 15 years. One day, Wally is summoned back to his childhood home on Cape Breton by his brother, Bob (Alan Jones), who says there are various problems with their father, Stan (Jim Belushi). As an out-of-town American, Stan seems to be losing his grip on reality. He begins to pay his bills by crumpling his leather into a parked car. "He's got all right for a while," explains Belushi, "and then he'll do something right wrong."

Wally's dad produces a class of wit. Despite a deep affection for his son, Stan considers his a traitor for leaving home. And he strongly suspects that Wally is a homosexual because he lives in California and eats liver trout. While trying to reconcile his relationship with his father, who appears to be suffering from Alzheimer's disease, Wally regains an appreciation for small-town values. He looks up old friends, including his high-school sweetheart, Bobbie (Jennifer Dwyer), a single mother who works as a waitress in a bar. For a while, the film appears to be just another sentimental story about the youth agency of being Canadian. But when Wally rediscovered the passions of youth he is a reason of old friends, the movie suddenly acquires a sense of humor. Later, when the death of a cousin gives Stan a chance

to exorcise his first body in an old movie, the comedy takes a delightfully black turn.

Nodulosity, the design group of a mid-order indie in 1986's *90 Days*, displays the same rigorous stance as the recent-burlesque *Wally*. Belushi tends to overact his role as Stan, the cornedog with a heart of gold. But in the movie's most dramatic moments, both characters are upstaged by their beautifully photographed surroundings. Cape Breton is melodramatic weather, alive with smoky and rainbows, seems to take a dramatic touch all its own. And the chopboard colors of Sydney's streets create an intriguing ritual from the serenity of cities in most movies.

Something About Love is like an act of contrition by the Canadian movie industry, which is usually torn between local cinema and Hollywood cinema. Self-consciously, the script makes Wally an expatriate film-maker based in Los Angeles. "The people who look like they're from L.A., they're Canadian," he tells Belushi, "and they're not being around with a smile on their face, like they don't really believe they're there, making it that money."

Although not particularly physical, the movie represents a homecoming for Sydney-born Wodinsky, who co-wrote it with Newfoundland director Tim Barry. Previous movies set in Cape Breton, notably 1984's *The Day After*, failed to draw much of a home-town audience. But during a recent five-week run in Sydney, *Something About Love* became a local hit. It is not the sort of movie that will travel well north of the border—only if without live trade. But as it opens in other areas across the country this month, Canadians may discover that something about it is quite lovely.

BRAND D. JOHNSON

MACLEAN'S BEST-SELLER LIST

FICTION

- 1 *Carla's Eyes*, Atwood (2)
- 2 *The Eyes of My Father*, Davis (2)
- 3 *The Indian*, Poirer (2)
- 4 *The Confession of the Kinsmen*, Clancy (2)
- 5 *Seeds of Time*, Shilkin (1)
- 6 *The Secret Agent*, Galdwin (1)
- 7 *A WIM Old Man on the Road*, Callaghan (1)
- 8 *Goodbye, Love*, (1)
- 9 *The Secret Agent*, Galdwin (1)
- 10 *Alone*, Maclean (1)

NONFICTION

- 1 *The Arctic Circle*, Barrie (2)
- 2 *A Brief History of Time*, Hawking (2)
- 3 *Conversations*, Poirer (2)
- 4 *Present in Time*, Barrie and Clancy (1)
- 5 *My Time to Move Forward*, Poirer (1)
- 6 *The Secret Agent*, Galdwin (1)
- 7 *Don't Haven't A Word Contribution*, Barrie (1)
- 8 *Collapsing the Shells*, Poirer (1)
- 9 *The Secret Agent*, Galdwin (1)
- 10 *The Secret Agent*, Galdwin (1)

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